

ALASKA ECONOMIC TRENDS



**MAKING A BUCK:
INCOME GROWTH SLOWS**

READER SURVEY RESULTS

**AUGUST ECONOMY
HITS DOLDRUMS**

November 1991

ALASKA DEPARTMENT OF LABOR

WALTER J. HICKEL, GOVERNOR

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**UNEMPLOYMENT
INSURANCE**
maintaining the foundation of economic security

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Making a Buck: Income Growth Slows

By Neal Fried

Alaska's income position made some headway in 1990 and early 1991. This was accomplished even though the big oil spill paychecks and other oil-spill related earnings were clearly absent from Alaska's most recent income figures.

In 1990, Alaska's total personal income slowed to a 6% growth rate, from 16% in 1989. In dollars, Alaska's personal income was close to \$12 billion in 1990 -- an increase of \$680 million from the previous year. (See Figure 1.) It did not keep up with the exceptional increase of more than one billion dollars enjoyed in 1989. Instead, 1990's performance could be characterized as average when compared to the rest of the nation.

From a historical perspective, 1990's personal income performance was below par. Before the 1986 recession (1970-1985) Alaska's annual personal income growth rate averaged 13%, compared to 10% for the nation. From 1986 to the present Alaska's average annual growth rate fell to 5%, slower than the national average of 7%. This slowdown in personal income growth is affecting Alaska's ranking among states.

Alaska remains In 7th place in per capita income

Per capita income is simply total personal income divided by resident population. Alaska's per capita income increased 5.2% in 1990, which translates into \$21,688 for every man, woman and child in the state. (See Table 1.) In dollars not adjusted for inflation, it represents the highest per capita income Alaska has ever enjoyed. After adjusting for inflation, however, the 1990 per capita income figure actually falls short of last year's record high. In 1990 dollars, 1989 per capita income would have been \$21,882.

Alaska's per capita income ranking in the nation remained in seventh place in 1990. (See Table 2.) Alaska's 1990 per capita rank among states continues a trend that began in 1986, when Alaska lost its 13-year hold on the top rank. Over the past five years, Alaska has fluctuated between third and seventh place. Along a similar vein, Alaska's per capita income, as a percent of the nation's per capita income, declined steadily from 1982 to 1988 (See Table 1.) In 1990, as in 1989, Alaska's per capita income rose against the national average, but was only 16% above it. (See Figure 2.)

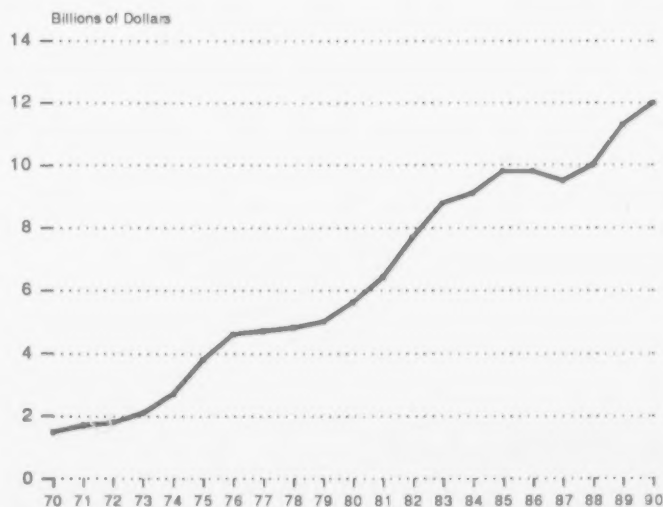
Average household income figures are also represented in Table 2. They are calculated by multiplying per capita income figures by the state's average household size. Because Alaska's household size is larger than the national average, this income ranking climbs to the number four spot.

Another measure of per capita income sheds a different light on Alaska's income picture. This measure is per capita disposable income. It measures income after deducting taxes and insurance contributions. Alaska's disposable income in 1990 was \$18,974. When looking at income from this angle, Alaska moves up in rank

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Figure • 1

Alaska Total Personal Income 1970-1990

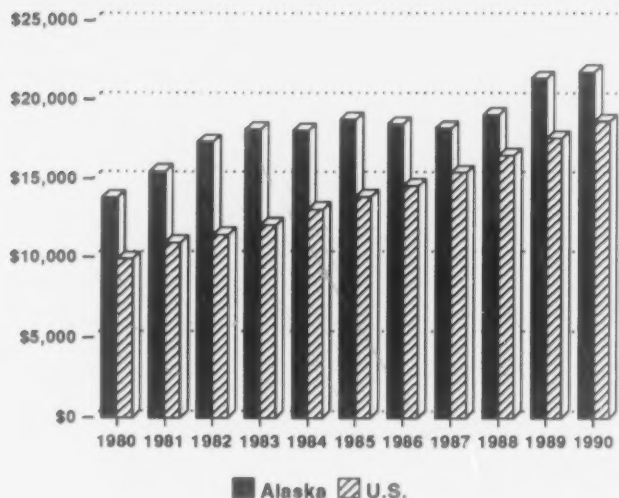


Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Figure • 2

Alaska's Per Capita Income Higher Than U.S., But Lead Narrows

Source: U.S. Department of
Commerce, Bureau of
Economic Analysis.



among states to the number five spot. According to disposable income figures, Alaskans keep 87% of their personal income versus 85% for the nation. This is not surprising. With no state income tax and moderate or no sales or property taxes, Alaska's tax burden is lower than in other states.

What is Included in Income?

The U.S. Department of Commerce's Bureau of Economic Analysis (BEA) produces the income data discussed in this article. BEA produces this data for the nation, all the states (including the District of Columbia) and all counties in the nation. In Alaska's case, the county equivalent are boroughs and census areas.

Table • 1

Total and Per Capita Personal Income Alaska & U.S. 1970-1990

	Alaska total (in millions of dollars)	U.S. total (in millions of dollars)	Alaska per capita (in dollars)	U.S. per capita (in dollars)	Alaska per capita as % of U.S. Average
1970	1,544	825,534	5,073	4,051	125
1971	1,679	888,536	5,305	4,296	123
1972	1,827	976,181	5,596	4,665	120
1973	2,148	1,095,289	6,447	5,182	124
1974	2,650	1,204,899	7,689	5,648	136
1975	3,780	1,308,482	10,189	6,073	168
1976	4,560	1,447,002	11,599	6,651	174
1977	4,701	1,602,863	11,831	7,294	162
1978	4,791	1,806,968	11,912	8,136	146
1979	5,021	2,028,510	12,582	9,033	139
1980	5,599	2,254,076	13,835	9,919	139
1981	6,449	2,514,231	15,410	10,957	141
1982	7,739	2,663,432	17,213	11,497	150
1983	8,758	2,834,385	17,931	12,123	148
1984	9,140	3,101,163	17,790	13,149	135
1985	9,802	3,317,545	18,405	13,942	132
1986	9,820	3,519,364	18,040	14,654	123
1987	9,561	3,754,577	17,726	15,494	114
1988	10,105	4,058,796	18,642	16,598	112
1989	11,276	4,376,369	20,609	17,731	116
1990	11,956	4,662,698	21,688	18,691	116

Source: U.S.
Department of
Commerce, Bureau of
Economic Analysis.

ma's case, the county equivalent are boroughs and census areas.

Included in the personal income figures are:

Net earnings -- which consists of wages and salaries, other labor income (for example, contract work or tips), and proprietary income, minus contributions for social insurance;

Dividends, interests and rent on assets; and

Transfer payments -- which consists of government payments to individuals and nonprofit corporations, and business payments to individuals. Examples are welfare, social security and unemployment insurance payments. In Alaska the longevity bonus and permanent fund dividends are also included in this category. In-kind transfers such as food stamps, medicaid and medicare are not included.

In Alaska there is another form of income, subsistence. Because it is nonmonetary, it is not included in BEA statistics. However, subsistence is a substantial source of income for residents in many areas of the state.

More than 70% of Alaska's personal income comes from earnings -- a larger proportion than the nation's.

Table • 2

Per Capita Personal Income by State 1989-1990

STATE	1990	1989	1989- 1990 Percent Change	1990 percent of U.S.	1990 average persons per household	1990 average household income
Connecticut	\$25,484	\$24,459	4.2	136	2.67	\$68,042
New Jersey	24,936	23,671	5.3	133	2.77	69,073
District of Columbia	23,243	21,788	6.7	124	2.43	56,480
Massachusetts	22,569	21,844	3.3	121	2.68	60,485
New York	22,086	20,836	6.0	118	2.71	59,853
Maryland	21,789	20,779	4.9	117	2.73	59,484
ALASKA	21,688	20,609	5.2	116	2.81	60,943
New Hampshire	20,827	20,413	2.0	111	2.70	56,233
California	20,677	19,730	4.8	111	2.87	59,343
Illinois	20,419	19,316	5.7	109	2.72	55,540
Hawaii	20,356	18,652	9.1	109	3.11	63,307
Delaware	20,022	19,283	3.8	107	2.69	53,859
Virginia	19,671	18,879	4.2	105	2.70	53,112
Nevada	19,035	18,392	3.5	102	2.58	49,110
Colorado	18,890	17,801	6.1	101	2.57	48,547
Rhode Island	18,802	18,080	4.0	101	2.66	50,013
Washington	18,775	17,784	5.6	100	2.60	48,815
Minnesota	18,731	17,827	5.1	100	2.66	49,824
U.S.	18,691	17,731	5.4	100	2.71	50,653
Pennsylvania	18,686	17,630	6.0	100	2.54	47,462
Florida	18,530	17,832	3.9	99	2.52	46,696
Michigan	18,360	17,644	4.1	98	2.72	49,939
Kansas	18,162	16,950	7.2	97	2.62	47,584
Ohio	17,564	16,640	5.6	94	2.65	46,545
Wisconsin	17,560	16,674	5.3	94	2.69	47,236
Nebraska	17,549	16,365	7.2	94	2.62	45,978
Vermont	17,511	16,916	3.5	94	2.67	46,754
Missouri	17,472	16,712	4.5	93	2.61	45,602
Iowa	17,218	16,190	6.3	92	2.61	44,939
Oregon	17,196	16,272	5.7	92	2.58	44,366
Maine	17,175	16,460	4.3	92	2.64	45,342
Georgia	17,049	16,239	5.0	91	2.74	46,714
Indiana	16,890	16,078	5.1	90	2.68	45,265
Texas	16,716	15,682	6.6	89	2.80	46,805
Wyoming	16,314	14,930	9.3	87	2.69	43,885
North Carolina	16,293	15,450	5.5	87	2.63	42,851
Arizona	16,012	15,364	4.2	86	2.68	42,912
Tennessee	15,866	15,020	5.6	85	2.63	41,728
South Dakota	15,797	14,385	9.8	85	2.69	42,494
Oklahoma	15,457	14,504	6.6	83	2.61	40,343
Montana	15,270	14,442	5.7	82	2.61	39,855
Idaho	15,249	14,233	7.1	82	2.79	42,545
North Dakota	15,215	13,997	8.7	81	2.65	40,320
South Carolina	15,151	13,985	8.3	81	2.77	41,968
Alabama	15,021	14,068	6.8	80	2.68	40,256
Kentucky	15,001	14,031	6.9	80	2.67	40,053
Louisiana	14,542	13,360	8.8	78	2.82	41,008
New Mexico	14,265	13,458	6.0	76	2.79	39,799
Arkansas	14,188	13,335	6.4	76	2.64	37,456
Utah	13,993	13,065	7.1	75	3.21	44,918
West Virginia	13,755	12,754	7.8	74	2.61	35,901
Mississippi	12,823	12,077	6.2	69	2.82	36,161

Source: U.S. Department of
Commerce, Bureau of Eco-
nomic Analysis.

Table • 3

Alaska's Per Capita Income by Borough and Census Area 1987-1989

Source: U.S. Department of
Commerce, Bureau of
Economic Analysis.

*The Aleutian Islands census
area was divided into the
Aleutian Island East Borough
and the Aleutian Island West
census area in 1988.

	1987	1988	1989	Percent of U.S.	Rank in State	1988-89 Percent Change
ALASKA	17,726	18,642	20,609	116.2	—	10.6
U.S.	15,494	16,598	17,731	100.0	—	6.8
Area Name						
Aleutian Islands Census Area*	17,963	—	—	—	—	—
Aleutians East Borough*	—	19,323	22,255	125.5	9	15.2
Aleutians West Census Area*	—	20,704	21,482	121.2	11	3.8
Anchorage, Municipality of	20,180	21,699	24,773	139.7	6	14.2
Bethel Census Area	11,493	12,052	12,820	72.3	23	6.4
Bristol Bay Borough	24,632	26,709	29,755	167.8	2	11.4
Dillingham Census Area	15,183	17,304	18,171	102.5	16	5.0
Fairbanks North Star Borough	17,024	17,002	18,507	104.4	15	8.9
Haines Borough	27,713	32,720	37,548	211.8	1	14.8
Juneau Borough	22,061	23,221	25,075	141.4	5	8.0
Kenai Peninsula Borough	14,898	16,186	19,543	110.2	14	20.7
Ketchikan Gateway Borough	22,336	23,503	26,530	149.6	4	12.9
Kodiak Island Borough	16,524	17,643	20,537	115.8	13	16.4
Matanuska-Susitna Borough	12,795	13,283	14,565	82.1	20	9.7
Nome Census Area	13,953	14,229	15,103	85.2	18	6.1
North Slope Borough	19,854	19,689	22,219	125.3	10	12.8
Northwest Arctic Borough	12,636	13,645	14,711	83.0	19	7.8
Prince of Wales-Outer Ketchikan C.A.	15,096	15,809	16,986	95.8	17	7.4
Sitka Borough	20,142	21,783	23,995	135.3	7	10.2
Skagway-Yakutat-Angoon Census Area	17,718	19,232	21,207	119.6	12	10.3
Southeast Fairbanks Census Area	11,350	12,312	12,956	73.1	22	5.2
Valdez-Cordova Census Area	20,377	23,094	27,727	156.4	3	20.1
Wade Hampton Census Area	8,993	9,003	9,548	53.8	24	6.1
Wrangell-Petersburg Census Area	20,973	22,923	22,862	128.9	8	-0.3
Yukon-Koyukuk Census Area	11,726	12,446	13,022	73.4	21	4.6

(See Figure 3.) One reason may be that a larger percentage of Alaska's working age population participate in the labor force and are receiving earnings from their employment.

Alaskans receive less of their income from dividends, interest and rent. Alaska's median age is younger than the nation's (29.4 versus 32.9); a younger population has had less time to accumulate the wealth that generates this type of income. Another reason for this disparity may be because a larger share of Alaska's economy is in the public sector where it is less likely to earn this form of income. This may seem surprising, given Alaska's unique permanent fund dividend and longevity bonus programs. BEA counts these sources of income, however, as transfer payments.

Counting these two programs as transfer payments is probably why Alaskans earn the same proportion of their income from transfer payments as their national counterparts. Without them, Alaska would be expected

to have less transfer payment income than other states. This is because social security is the most important component in the national transfer payment category, and only 4.1% of Alaska's population is 65 years and older versus the nation's 12.6%.

Income varies widely within the state

BEA also produces per capita income data for Alaska's boroughs and census areas. The most recent income figures for these areas is 1989. They graphically illustrate the diversity of earning power in the state. (See Table 3.) Per capita income in eight of these boroughs and census areas falls below the national average. The Wade Hampton census area's per capita income is only slightly more than half the national average.

Although low and high per capita incomes tend to fall along the rural and urban lines, there are almost too many exceptions to make this generalization. For example, the Bristol Bay and North Slope Boroughs enjoy

higher-than-average per capita incomes. These two rural boroughs have relatively high-paying industries within their boundaries -- fishing in Bristol Bay and oil in the North Slope. On the other hand, the more urban Kenai Peninsula and Matanuska-Susitna Boroughs have per capita income figures that are below average.

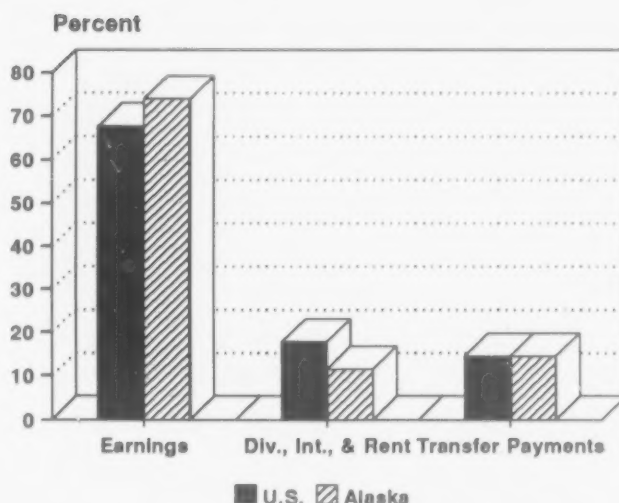
BEA provides other interesting detailed income information. One such detail is the adjustment for residency. Income earned by a nonresident is subtracted from the state's total and added to another state. This "lost" income was \$619 million in 1990.

Likewise, income earned by an Alaskan in one census area or borough is transferred to the area within the state where the wage earner lives. The Matanuska-Susitna Borough received 28% of its personal income from sources outside the borough. This is explained by the fact that 37% of its working population hold jobs outside its boundaries.

How much of an area's income is in the form of transfer payments also provides some insight into an economy. (See Table 4.) Residents of the Wade Hampton census area receive 39% of their income from transfer payments. This is a clear sign that this area does not have much of an economic infrastructure. It also must be remembered that subsistence income is not reflected in these figures.

Figure • 3

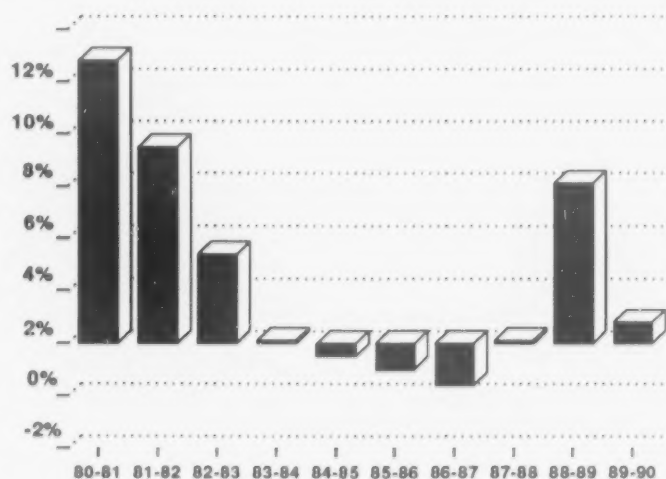
Sources of Personal Income in 1990



Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Figure • 4

Alaska's Average Monthly Wage Growth Slows



Source: Alaska Department of Labor, Research & Analysis

Table • 4

Alaska's 1989 Income by Census Area and Source

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

* The Aleutian Islands census area was divided into the Aleutian Island East Borough and the Aleutian Island West census area in 1988.

	Total Personal Income (millions of dollars)	Percentage Breakdown by Source		
		Net Earnings	Transfer Payments	Dividends Interest & Rent
Alaska	11,254	73.9	14.7	11.4
U.S.	4,376,369	67.9	14.6	17.5
Aleutians East Borough*	40	85.2	9.0	5.7
Aleutians West Census Area*	147	86.6	7.4	6.0
Anchorage, Municipality of	5,313	75.1	12.4	12.5
Bethel Census Area	172	64.6	28.4	6.9
Bristol Bay Borough	44	84.2	9.2	6.7
Dillingham Census Area	114	75.7	15.0	9.3
Fairbanks North Star Borough	1,326	70.1	15.9	14.1
Haines Borough	63	77.5	10.5	12.0
Juneau Borough	674	71.1	14.3	14.7
Kenai Peninsula Borough	797	70.2	15.5	14.3
Ketchikan Gateway Borough	316	71.6	13.4	14.9
Kodiak Island Borough	284	76.4	11.3	12.3
Matanuska-Susitna Borough	581	66.5	19.0	14.5
Nome Census Area	120	66.7	25.6	7.7
North Slope Borough	126	78.4	14.0	7.7
Northwest Arctic Borough	94	64.6	26.1	9.3
Prince of Wales-Outer Ketchikan C.A.	95	74.4	16.7	8.9
Sitka Borough	190	71.6	12.5	15.9
Skagway-Yakutat-Angoon C.A.	84	69.9	18.1	12.1
Southeast Fairbanks Census Area	84	67.4	22.0	10.6
Valdez-Cordova Census Area	247	77.1	12.7	10.2
Wade Hampton Census Area	56	56.8	39.0	4.2
Wrangell-Petersburg Census Area	162	72.1	13.0	14.9
Yukon-Koyukuk Census Area	125	56.1	31.2	12.7

accounts for 89% of the mining employment. Retail trade's average monthly wage remains the lowest at \$1,394. This is an industry dominated both by low wages and part-time employment. Nearly all the industries made some headway in 1990. Local government failed to make gains, and transportation's decline was directly related to the end of oil spill activity.

The average monthly wage also varies geographically in comparable ways to the personal income figures. There is, however, one important difference. The wage data is not adjusted for residency. The monthly wages are reported where the jobs are and not where the job holders live. A good illustration of this difference is the North Slope Borough. Their average monthly wage is the highest in the state at \$4,414; but they ranked tenth in per capita income. The residency adjustment of income but not wage data for Prudhoe Bay is the primary cause for this difference.

Alaska's wages increase slightly

Alaska's average monthly wage picture is nearly identical to the personal income picture. This is no surprise since wages comprise the majority share of personal income. In 1990 the state's average monthly wage increased slightly (see Figure 4), but not enough to cover the increase in the cost of living. Drawing any additional conclusions from these figures must be done cautiously because a variety of factors influences their direction. The average monthly wage is the state's total payroll divided by the total number of jobs. Changes in the number of hours worked, wage rates, or the industry and occupational mix can affect the average monthly wage. Also, a part-time job and a full-time job carry equal weight in the job count.

Mining's average monthly wage is still the highest at \$5,438 per month. (See Table 5.) The oil and gas industry, which pays well and has many full-time jobs,

The average monthly wage increased in 1990 in most areas, but there were a significant number of areas where wages fell. (See Table 6.) The largest declines came in the areas where the oil spill cleanup work was concentrated -- Kodiak, the Kenai Peninsula, and the Valdez-Cordova census area. The average monthly wage in the Valdez-Cordova census area fell by \$1,395 in 1990.

Summary: Income and wage growth slows

The big oil spill earnings of 1989 were clearly absent from 1990's income figures. Income growth in 1990 slowed to less than half the rate of 1989. All but one of Alaska's industries shared in 1990's increases. The only industry that failed to contribute was transportation, and this is only because it is where most of the oil spill earnings were accounted for.

Table • 5

Alaska's Average Monthly Wage by Industry 1980-1990

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	Source: Alaska Department of Labor, Research & Analysis Section.
Mining	\$3,802	\$4,030	\$4,254	\$4,550	\$4,703	\$5,311	\$4,921	\$5,171	\$5,126	\$5,249	\$5,438	
Construction	3,342	3,756	3,941	3,860	3,651	3,383	3,425	3,315	3,399	3,501	3,671	
Manufacturing	1,846	1,828	1,955	2,065	2,115	2,000	2,019	2,116	2,143	2,334	2,336	
Trans., Comm. & Utilities	2,458	2,731	2,915	2,931	2,946	2,797	2,896	2,718	2,699	3,395	2,897	
Trade	1,342	1,446	1,522	1,598	1,624	1,546	1,610	1,409	1,487	1,566	1,620	
Wholesale	2,156	2,286	2,446	2,533	2,558	2,558	2,601	2,484	2,468	2,547	2,684	
Retail	1,154	1,244	1,302	1,373	1,397	1,316	1,376	1,272	1,274	1,339	1,394	
Finance, Ins. & Real Estate	1,565	1,687	1,915	2,017	2,122	2,252	2,173	2,258	2,216	2,187	2,255	
Services	1,404	1,614	1,792	1,831	1,837	1,719	1,802	1,655	1,692	1,802	1,864	
Government	1,945	2,142	2,296	2,420	2,480	2,627	2,565	2,641	2,641	2,685	2,739	
Federal	1,741	1,952	2,019	2,172	2,268	2,348	2,298	2,414	2,520	2,555	2,686	
State	2,312	2,433	2,567	2,683	2,698	2,887	2,829	2,895	2,859	2,882	2,962	
Local	1,847	2,071	2,295	2,397	2,464	2,617	2,539	2,615	2,567	2,623	2,610	
Statewide	1,931	2,140	2,301	2,379	2,382	2,369	2,345	2,308	2,310	2,452	2,471	

Table • 6

Alaska's Average Monthly Wage by Census Area 1980-1990

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	
Aleutian Islands Census Area*	\$1,549	\$1,590	\$1,702	\$1,693	\$1,769	\$1,875	\$1,892	\$2,009	—	—	—	
Aleutians East Borough*	—	—	—	—	—	—	—	—	\$2,008	\$1,959	\$1,930	
Aleutians West Census Area*	—	—	—	—	—	—	—	—	2,140	2,085	2,302	
Anchorage, Municipality of	1,921	2,075	2,208	2,289	2,327	2,346	2,385	2,363	2,378	2,483	2,568	
Bethel Census Area	1,197	1,466	1,634	1,735	1,792	1,756	1,830	1,743	1,727	1,819	1,877	
Bristol Bay Borough	1,695	2,045	1,989	1,904	2,099	1,860	1,960	2,013	1,970	2,206	2,206	
Dillingham Census Area	1,637	1,764	1,849	2,150	1,862	1,858	1,863	1,828	1,850	1,890	2,046	
Fairbanks North Star Borough	2,049	2,210	2,384	2,474	2,414	2,432	2,347	2,320	2,236	2,269	2,320	
Haines Borough	1,256	1,539	1,728	1,897	2,008	2,089	2,237	2,360	2,373	2,605	1,989	
Juneau Borough	1,873	2,093	2,195	2,283	2,267	2,295	2,320	2,341	2,339	2,341	2,382	
Kenai Peninsula Borough	2,031	2,197	2,313	2,309	2,344	2,343	2,255	2,169	2,245	2,531	2,438	
Ketchikan Gateway Borough	1,868	1,904	2,069	2,137	2,110	2,099	2,107	2,138	2,178	2,276	2,390	
Kodiak Island Borough	1,534	1,636	1,878	2,003	1,857	1,968	1,620	1,757	1,807	2,331	1,873	
Lake and Peninsula Borough	—	—	—	—	—	—	—	—	—	—	3,900	
Matanuska-Susitna Borough	1,585	1,745	1,926	1,918	2,036	1,725	1,976	1,974	1,968	2,013	2,081	
Nome Census Area	1,481	1,648	1,898	1,933	1,980	1,970	1,988	2,022	2,024	2,131	2,114	
North Slope Borough	3,800	4,415	4,778	4,849	4,911	4,681	4,341	4,079	4,053	4,181	4,414	
Northwest Arctic Borough	1,576	1,717	1,729	1,986	2,020	1,951	1,914	1,958	2,122	2,176	2,427	
Prince of Wales-Outer Ketchikan C.A.	1,866	1,851	1,955	2,124	2,091	1,937	2,039	1,954	2,089	2,237	2,297	
Sitka Census Area	1,838	2,062	2,140	2,082	2,088	2,000	2,009	2,040	2,045	2,066	2,098	
Skagway-Yakutat-Angoon C.A.	1,435	1,623	1,832	2,055	1,703	1,759	1,786	1,746	1,807	2,037	2,224	
Southeast Fairbanks Census Area	1,479	1,661	1,637	1,765	1,807	1,900	2,036	1,914	1,890	1,899	1,990	
Valdez-Cordova Census Area	2,222	2,407	2,488	2,411	2,501	2,507	2,483	2,475	2,417	4,068	2,673	
Wade Hampton Census Area	1,150	1,328	1,444	1,447	1,463	1,414	1,450	1,570	1,452	1,490	1,431	
Wrangell-Petersburg Census Area	1,524	1,766	1,909	2,084	1,950	2,098	2,058	2,006	2,065	2,117	2,138	
Yukon-Koyukuk Census Area	2,126	2,318	2,405	2,465	2,393	2,063	2,090	2,046	2,082	2,017	2,069	
Statewide Average	1,931	2,140	2,301	2,379	2,382	2,369	2,345	2,308	2,310	2,452	2,471	

* Aleutian Island census area was divided into Aleutians East Borough and Aleutians Islands West census area in 1988.

Source: Alaska Department of Labor, Research & Analysis Section.

Table • 8

% of Persons in Poverty by State — 1990

STATE	
Connecticut	6.0%
New Hampshire	6.3
Rhode Island	7.5
Utah	8.2
Delaware	8.9
Washington	8.9
Oregon	9.2
New Jersey	9.2
Wisconsin	9.3
Nevada	9.8
Maryland	9.9
Nebraska	10.3
Kansas	10.3
Iowa	10.4
Massachusetts	10.7
Vermont	10.9
Hawaii	11.0
Pennsylvania	11.0
Wyoming	11.0
Virginia	11.1
ALASKA	11.4
Ohio	11.5
Minnesota	12.0
Indiana	13.0
North Carolina	13.0
Maine	13.1
South Dakota	13.3
Missouri	13.4
North Dakota	13.7
Colorado	13.7
Arizona	13.7
Illinois	13.7
California	13.9
Michigan	14.3
Florida	14.4
New York	14.3
Idaho	14.9
Oklahoma	15.6
Georgia	15.8
Texas	15.9
South Carolina	16.2
Montana	16.3
Tennessee	16.9
Kentucky	17.3
West Virginia	18.1
Alabama	19.2
Arkansas	19.6
New Mexico	20.9
District of Columbia	21.1
Louisiana	23.6
Mississippi	25.7
U.S.	13.5

Source: U.S. Department of Commerce, Bureau of Census.

Table • 7

1991 Federal Poverty Guidelines

Family Size	Alaska	Nationwide (except Alaska and Hawaii)
1	\$8,290	\$6,620
2	11,110	8,880
3	13,930	11,140
4	16,750	13,400
5	19,570	15,660
6	22,390	17,920
7	25,210	20,180
8	28,030	22,440
For each additional family member add:	2,820	2,260

Source: Federal Register, Vol. 56, No. 122, May 28, 1991.

From a historical perspective, income gains in the past five years have been below average. This has narrowed the gap between Alaska's and the nation's per capita income.

Alaska's per capita income did increase in 1990, but more slowly than the cost of living. Alaska's per capita ranking remained at seventh place in the nation. On the brighter side, Alaskans have a bigger portion of their

Table • 9

1991 Lower Living Standard Income Level (LLSIL)

Family Size	Income Criteria for 70% of the LLSIL
1	\$8,290
2	12,110
3	16,530
4	20,520
5	24,220
6	28,320
7	32,420
8	36,520
For each additional family member add:	\$4,100

Source: Federal Register, Vol. 56, No. 102, May 28, 1991.

income after taxes than most states. Alaska's disposable per capita income ranked fifth highest in the nation.

Alaska's average monthly wages followed a path similar to income. This is not surprising since wages make up the largest share of income. The mining industry continued to enjoy the highest average monthly wages and retail trade the lowest.

Measuring Poverty Levels of Income in Alaska

While there is no comprehensive, ongoing measurement to determine what a poverty level of income is in Alaska, two measurements available from federal agencies are provided to help determine what a poverty level income is in Alaska.

The poverty income guidelines shown in Table 7 are used to determine eligibility of individuals and families for a number of federal and state programs. They are derived by adding 25% to the national criteria to take into account the higher cost of living in Alaska. Each year they are updated to reflect the change in the U.S. consumer price index.

Usually the only reliable figures for the number of Alaskans who live in poverty come when the results of the decennial census are released. In a special report, however, not related to the decennial census, the Census Bureau released poverty statistics for all of the states. According to the Census Bureau's survey-based report, 11.4% of Alaska's population lived in poverty in 1990 (see Table 8). In the U.S. as a whole the figure was 13.5%. Alaska ranked 21st in percent of persons living in poverty in the nation. If the higher cost of living in Alaska were taken into account, the state's ranking would probably fall further. No poverty statistics were calculated for areas within the state. Historically, the rate of poverty in Alaska has been considerably higher in rural parts of the state. The poverty statistics from the decennial census should become available sometime next year.

The lower living standard income levels in Table 9 are used to determine eligibility on the basis of economic disadvantage for Job Training Partnership Act (JTPA) and other job and training programs. They are also updated annually.

Results of the *Alaska Economic Trends* Reader Survey

by Chuck Caldwell

Our goal has always been to provide the most useful labor market information publications possible, given our available resources. This year that resource level changed.

We surveyed all subscribers to the *Alaska Economic Trends* this summer. Responses to this survey were analyzed extensively to determine our audience, their uses of the information, and how well they thought the *Trends* met their needs.

Who Reads the *Trends*?

About two-thirds of *Trends* subscribers work in the private sector. Nearly one subscriber in three work for a government agency. Of those about half worked for state government, three-eighths for local government, a few for foreign governments and the rest were federal employees.

Half of the subscribers receiving multiple copies of *Trends* were in government. Many of these subscribers worked in schools and used the *Trends* to teach students about Alaska's economy and provide career guidance.

In the private sector services and finance combined for over half our subscribers. Services accounted for 30% of our private sector subscribers. Many of those readers were lawyers, career counselors, or economic consultants.

The finance industry made up 25% of our private business audience. In contrast, finance accounts for about 5% of Alaska's private sector employment. Many readers commented that *Trends* was a primary source of information used for their Alaska investment decisions. A large retailer confirmed this by saying that *Trends* "Helps our out-of-state lenders keep up with the Alaska economy".

Relatively few subscribers are either very young or old. While 71% of Alaska's adult population is between 25 and 54, 86% of our *Trends* subscribers are in that age category. Others also benefit from *Trends* since many of our subscribers said they used it to teach classes or for career counseling.

Trends subscribers are well educated. Of those responding to the survey, 96% had attended college; 77% graduated; and 40% had received graduate degrees.

Nearly half of our subscribers described themselves as managers. The bulk of the other readers were employed in other professional occupations.

About twice as many men as women subscribe to the *Alaska Economic Trends*.

How Is the *Trends* Used?

We asked subscribers two questions about how they used *Trends*. Below is a table indicating the percentage of subscribers who used *Trends* by type of use (multiple responses were common so the sum of the percentages totals more than 100%):

Type of Use	%
General Information	71
Planning	47
Preparing Presentations	26
Career Guidance	14
Curriculum Planning	7
Reports to Main Office	5
Other Uses	8

Readers were also asked how often they used *Trends*. Overall 77% of our subscribers indicated that they used *Trends* at least monthly, while 21% used it at least weekly. Educators reported a more frequent usage. Of those listing curriculum planning as a use, 92% used *Trends* at least monthly. Of those listing career guidance, 89% used *Trends* at least monthly.

Hundreds of subscribers described how the *Trends* benefitted their respective organizations. Those comments indicated that our audience is diverse and they often regard our information as critical. Readers' comments about the benefits they received indicate that *Trends* is commonly used for planning: investments, careers, government programs, and business expansions. Other common uses included grant writing, wage rate setting, and reference use in libraries.

Chuck Caldwell is the Chief of the Research & Analysis Section, Administrative Services Division, Alaska Department of Labor. He is based in Juneau.

How Did Readers Rate the *Trends*?

The following items were rated on a scale of 1 (poor) to 5 (excellent):

Category	Average Rating
Presentation of information	4.4
Content	4.4
Area analysis	4.4
Industry analysis	4.3
Industry forecast	4.1
Review of prior year estimates	4.2

Ratings varied little by readers' characteristics such as age, industry, occupation, education, or gender. Ratings were higher for those who used the *Trends* the most frequently. Most notable was that of 755 people who said that they read labor market information publications frequently or very frequently, all rated the presentation of information a 3 or above, with an overall rating of 4.7.

It was encouraging to receive hundreds of positive comments about the quality and usefulness of *Trends*. We also received a few critical comments and those were equally valuable for our planning.

This is a list of the lead articles in order with the highest rated articles first:

- Measuring Alaska's Cost of Living
- The Year Ahead: Forecast 1991-92
- Occupational Outlook to 1994
- The *Trends* Top 100 Employers
- 1990 Census Data Available
- Comparing Employment 1970-80-90
- Is There Still a Labor Shortage in Alaska?
- Alaska's Service Industries
- 1990: Employment Growth Stronger than Predicted
- Layoffs in Alaska: 1989
- The Gender Gap
- A Teacher Shortage?
- Alaska's Timber Industry Faces an Uncertain Future
- Matsu Recovery in Sight
- Registers Ring for Alaska's Retailers
- Sitka: Rich History and Diverse Economy
- Benchmark Revision

Those articles that were very specific to an area or industry tended to have fewer people support them. At least 50 people, however, rated each of the lead articles with the highest score (lead articles were on a scale of 1 to 10). Written comments indicated that those people who were interested in those articles often felt that they were the most important articles produced.

A similar pattern was evident with the "Gender Gap" article. Only 15% of the men rated that article with

either a 9 or 10 (the highest), compared to 39% of the women.

Several readers asked that we include more area detail. It is unlikely that we will be able to respond since we only have two area economists now, compared to three in the past.

Others asked for more industry detail, especially for the health industry. Our published industry detail must meet federal standards for sample adequacy. We are analyzing sample requirements needed to add this industry in a future year.

What About the Cover?

The most controversial part of our survey was the question "Do you see a benefit in having a topical artwork cover related to the lead article?". There was nearly an even split between those who just wanted the facts, and those who felt that the cover added to the usefulness of the publication. Managers were the least likely to support the topical artwork cover. Other occupations, especially educators, felt that our covers added to the usefulness of the publication.

What Will Happen to the *Trends*?

For years we have attempted to make *Trends* as cost-effective as possible. Printing and mailing of the *Trends* is done in Alaska by a sheltered workshop which trains the handicapped. As a result, the printing and handling cost per copy of *Trends* is already below that of a decade earlier. These savings were despite substantial upgrades in the quality of the product.

The information you provided to our survey indicates that all categories of information currently published in *Trends* are critical to many readers. In an effort to be responsive to your feedback, our initial adjustments to reduce the cost of the *Trends* will not significantly reduce the average page count.

Instead we are now using a lighter weight cover which saves more money than reducing 8 pages per issue. We have also adapted our mailing list to take advantage of every postal discount, and to purge obsolete addresses.

Many readers said that the appearance of the publication added to its credibility when sent to their home office or to out-of-state investors. Our goal is to continue to provide you with accurate, unbiased information in a professional package which meets the needs of our readers.

We thank those of you who completed our survey and those of you who took the additional time to write letters of support. Your input will be an important factor influencing the future of the *Alaska Economic Trends*.

Economy Hits Doldrums in August

by Holly Stinson

Alaska's economy added jobs at a slower rate during the summer of 1991 than at any time since late 1988. August was no exception. Statewide there were 1,300 more jobs than last August, a growth rate of only one-half of one percent. (See Table 1.) Unemployment remained steady at July's 6.7% rate. This is a fairly low rate for Alaska, historically. It is 1.3 percentage points above last year's, however, and there are hundreds more unemployed Alaskans this August than in 1990. (See Table 4.)

Oil prices are holding their own, all signs point to a good year for tourism, and more fish were caught in Alaska this summer than ever before. Why is the economy so sluggish? Is one particular industry or area responsible for putting the brakes on?

Figure 1 shows part of the answer. Industries in the goods-producing sector of the economy began showing over-the-year employment losses in June. These are the industries involved with resource extraction — oil, hard rock mining, timber, and seafood — along with the construction industry. Although employment peaks in many of these industries during summer months, comparisons with the same months of 1990 show fewer jobs in 1991 for June, July and August. The exception is seafood processing, which continued to show strong growth. Jobs in this sector, however, are often filled by nonresidents and are low-paying, while the jobs being lost tend to be in the higher-paying mining, construction and wood products industries. (See Table 3.)

Oil Industry picture dims

Employment losses in the oil industry were expected. Prices for North Slope crude oil have been decent — in August the range was between \$17 and \$18/barrel. Activity on the North Slope, however, was stagnant this summer. No major projects were underway. The three companies involved with Point MacIntyre held off on planned development this summer. The first gas-handling project, GHX-1, is completed; but work on GHX-2 has not yet begun. Even some planned exploration activities could not be carried out in August due to unusually heavy pack ice in northern waters. An over-the-year job loss of 500 in the mining industry was nearly all in the oil sector.

Holly Stinson is a labor economist with the Research & Analysis Section, Administrative Services Division, Alaska Department of Labor. She is based in Anchorage.

Table • 1

Nonagricultural Wage and Salary Employment by Place of Work — Alaska

	Changes from:				
	p/ 8/91	r/ 7/91	8/90	7/91	8/90
Total Nonag. Wage & Salary	257,500	258,600	256,200	-1,100	1,300
Goods-producing	48,600	50,500	49,700	-1,900	-1,100
Mining	12,600	12,400	13,100	200	-500
Construction	13,100	12,800	13,400	300	-300
Manufacturing	22,900	25,300	23,200	-2,400	-300
Durable Goods	3,700	3,800	4,800	-100	-1,100
Lumber & Wood Products	2,700	2,800	3,900	-100	-1,200
Nondurable Goods	19,200	21,500	18,400	-2,300	800
Seafood Processing	15,200	17,400	14,500	-2,200	700
Pulp Mills	900	900	1,000	0	-100
Service-producing	208,900	208,100	206,500	800	2,400
Transportation	23,100	23,200	23,000	-100	100
Trucking & Warehousing	2,800	2,800	3,000	0	-200
Water Transportation	1,600	1,600	1,900	0	-300
Air Transportation	7,400	7,400	7,200	0	200
Communications	3,600	3,600	3,400	0	200
Trade	49,500	49,600	49,300	-100	200
Wholesale Trade	8,700	8,700	8,600	0	100
Retail Trade	40,800	40,900	40,700	-100	100
Gen. Merch. & Apparel	6,500	6,400	6,200	100	300
Food Stores	7,000	7,000	7,200	0	-200
Eating & Drinking Places	14,400	14,600	14,400	-200	0
Finance-Ins. & Real Estate	10,500	10,600	10,500	-100	0
Services & Misc.	56,200	56,000	54,500	200	1,700
Hotels & Lodging Places	7,200	7,300	7,200	-100	0
Government	69,600	68,700	69,200	900	400
Federal	19,400	19,300	19,200	100	200
State	20,800	20,900	21,300	-100	-500
Local	29,400	28,500	28,700	900	700

Notes: Prepared in cooperation with the U.S. Bureau of Labor Statistics.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear here are definitionally different from those that appear in the Labor Force table.

Benchmark: March 1990

p/ denotes preliminary estimates
r/ denotes revised estimates

Source: Alaska Department of Labor, Research & Analysis Section.

Table • 2

Nonagricultural Wage and Salary Employment By Place of Work

Municipality of Anchorage

	p/ 8/91	r/ 7/91	Changes from:		
			8/90	7/91	8/90
Total Nonag. Wage & Salary	118,450	117,600	115,850	850	2,600
Goods-producing	14,450	14,350	14,150	100	300
Mining	3,900	3,900	3,900	0	0
Construction	7,500	7,350	7,400	150	100
Manufacturing	3,050	3,100	2,850	-50	200
Service-producing	104,000	103,250	101,700	750	2,300
Transportation	11,950	12,100	11,900	-150	50
Trucking & Warehousing	1,700	1,750	1,700	-50	0
Water Transportation	300	300	250	0	50
Air Transportation	4,400	4,400	4,450	0	-50
Communications	2,150	2,100	2,000	50	150
Trade	27,300	27,100	27,000	200	300
Wholesale Trade	6,150	6,100	6,050	50	100
Retail Trade	21,150	21,000	20,950	150	200
Gen. Merch. & Apparel	3,400	3,250	3,250	150	150
Food Stores	3,400	3,400	3,350	0	50
Eating & Drinking Places	7,850	7,850	7,850	0	0
Finance-Ins. & Real Estate	6,500	6,550	6,450	-50	50
Services & Misc.	31,000	31,000	29,650	0	1,350
Hotels & Lodging Places	2,750	2,800	2,700	-50	50
Government	27,250	26,500	26,700	750	550
Federal	10,650	10,600	10,500	50	150
State	7,500	7,350	7,400	150	100
Local	9,100	8,550	8,800	550	300

Fairbanks North Star Borough

	p/ 8/91	r/ 7/91	Changes from:		
			8/90	7/91	8/90
Total Nonag. Wage & Salary	29,050	28,800	29,050	250	0
Goods-producing	2,800	2,750	3,000	50	-200
Mining	250	250	300	0	-50
Construction	1,850	1,800	2,000	50	-150
Manufacturing	700	700	700	0	0
Service-producing	26,250	26,050	26,050	200	200
Transportation	2,200	2,200	2,300	0	-100
Trucking & Warehousing	500	500	550	0	-50
Air Transportation	500	500	500	0	0
Communications	300	300	300	0	0
Trade	6,600	6,600	6,450	0	150
Wholesale Trade	800	800	800	0	0
Retail Trade	5,800	5,800	5,650	0	150
Gen. Merch. & Apparel	600	600	600	0	0
Food Stores	800	800	850	0	-50
Eating & Drinking Places	2,550	2,550	2,400	0	150
Finance-Ins. & Real Estate	850	850	850	0	0
Services & Misc.	6,900	6,700	6,850	200	50
Government	9,700	9,700	9,600	0	100
Federal	3,200	3,200	3,150	0	50
State	3,950	4,050	4,000	-100	-50
Local	2,550	2,450	2,450	100	100

Anchorage-MatSu Region

	p/ 8/91	r/ 7/91	Changes from:		
			8/90	7/91	8/90
Total Nonag. Wage & Salary	126,050	125,400	123,450	650	2,600
Goods-producing	15,100	14,950	14,800	150	300
Mining	4,100	4,100	4,000	0	100
Construction	7,850	7,650	7,800	200	50
Manufacturing	3,150	3,200	3,000	-50	150
Service-producing	110,950	110,450	108,650	500	2,300
Transportation	12,600	12,750	12,500	-150	100
Trade	29,200	29,050	29,050	150	150
Finance-Ins. & Real Estate	6,900	7,000	6,950	-100	-50
Services & Misc.	32,600	32,700	31,250	-100	1,350
Government	29,650	28,950	28,900	700	750
Federal	10,850	10,800	10,600	50	250
State	8,300	8,200	8,250	100	50
Local	10,500	9,950	10,050	550	450

Interior Region

	p/ 8/91	r/ 7/91	Changes from:		
			8/90	7/91	8/90
Total Nonag. Wage & Salary	33,750	33,700	34,000	50	-250
Goods-producing	3,200	3,150	3,300	50	-100
Mining	450	450	500	0	-50
Construction	2,000	1,950	2,100	50	-100
Manufacturing	750	750	700	0	50
Service-producing	30,550	30,550	30,700	0	-150
Transportation	2,600	2,550	2,650	50	-50
Trade	7,150	7,100	7,000	50	150
Finance-Ins. & Real Estate	950	900	950	50	0
Services	7,900	7,700	7,800	200	100
Government	11,950	12,300	12,300	-350	-350
Federal	3,950	3,950	3,900	0	50
State	4,300	4,700	4,700	-400	-400
Local	3,700	3,650	3,700	50	0

Table • 2

Nonagricultural Wage and Salary Employment By Place of Work

Southeast Region

	Changes from:				
	p/ 8/91	r/ 7/91	8/90	7/91	8/90
Total Nonag. Wage & Salary	37,050	36,550	37,950	500	-900
Goods-producing	7,950	7,600	8,850	350	-900
Mining	350	350	350	0	0
Construction	1,300	1,300	1,300	0	0
Manufacturing	6,300	5,950	7,200	350	-900
Durable Goods	2,300	2,350	3,350	-50	-1,050
Lumber & Wood Products	2,200	2,250	3,250	-50	-1,050
Nondurable Goods	4,000	3,600	3,850	400	150
Seafood Processing	2,900	2,500	2,650	400	250
Pulp Mills	900	950	950	-50	-50
Service-producing	29,100	28,950	29,100	150	0
Transportation	3,100	3,100	3,200	0	-100
Trade	6,100	6,050	6,150	50	-50
Wholesale Trade	600	600	600	0	0
Retail Trade	5,500	5,450	5,550	50	-50
Finance-Ins. & Real Estate	1,100	1,150	1,100	-50	0
Services & Misc.	6,450	6,450	6,300	0	150
Government	12,350	12,200	12,350	150	0
Federal	2,350	2,350	2,350	0	0
State	5,500	5,500	5,550	0	-50
Local	4,500	4,350	4,450	150	50

Gulf Coast Region

	Changes from:				
	p/ 8/91	r/ 7/91	8/90	7/91	8/90
Total Nonag. Wage & Salary	28,200	28,750	28,900	-550	-700
Goods-producing	9,800	10,450	10,300	-650	-500
Mining	1,300	1,250	1,400	50	-100
Construction	1,000	1,050	1,300	-50	-300
Manufacturing	7,500	8,150	7,600	-650	-100
Seafood Processing	6,450	7,100	6,500	-650	-50
Service-producing	18,400	18,300	18,600	100	-200
Transportation	2,200	2,200	2,250	0	-50
Trade	4,650	4,800	4,650	-150	0
Wholesale Trade	650	650	600	0	50
Retail Trade	4,000	4,150	4,050	-150	-50
Finance-Ins. & Real Estate	700	600	700	100	0
Services & Misc.	5,100	5,050	5,150	50	-50
Government	5,750	5,650	5,850	100	-100
Federal	650	650	650	0	0
State	1,800	1,800	1,950	0	-150
Local	3,300	3,200	3,250	100	50

Northern Region

	Changes from:				
	p/ 8/91	r/ 7/91	8/90	7/91	8/90
Total Nonag. Wage & Salary	15,750	15,450	16,250	300	-500
Goods-producing	6,900	6,850	7,450	50	-550
Mining	6,400	6,350	6,900	50	-500
Service-producing	8,850	8,600	8,800	250	50
Government	4,300	4,050	4,100	250	200
Federal	300	300	300	0	0
State	400	350	350	50	50
Local	3,600	3,400	3,450	200	150

Southwest Region

	Changes from:				
	p/ 8/91	r/ 7/91	8/90	7/91	8/90
Total Nonag. Wage & Salary	16,200	18,200	16,000	-2,000	200
Goods-producing	5,550	7,500	5,250	-1,950	300
Seafood Processing	5,200	7,100	4,850	-1,900	350
Service-producing	10,650	10,700	10,750	-50	-100
Government	5,600	5,600	5,750	0	-150
Federal	1,350	1,300	1,350	50	0
State	500	600	550	-100	-50
Local	3,750	3,700	3,850	50	-100

Notes: Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear above are definitionally different from those that appear in the Labor Force table.

Benchmark: March 1990

p/ denotes preliminary estimates
r/ denotes revised estimates

Source: Alaska Department of Labor,
Research & Analysis Section.

Then in late August Arco announced that their company-wide cost-cutting program would mean the loss of 200-250 jobs in Alaska, both on the North Slope and at headquarters in Anchorage. This is in addition to the 100 jobs lost at Arco and BP by consolidation of their operations at Prudhoe Bay.

Another oil producer, Shell Western E&P Inc., announced that they would discontinue exploration in the Chukchi sea off Alaska's northwest coast, thus ending a three-year, \$200 million drilling program. Even before Shell's announcement, a federal offshore lease sale in the Chukchi met with a less-than-enthusiastic response from bidders.

Less activity at Alaska's northern oil fields affects employment in other industries, also. This explains some of the negative growth rate in the construction industry, but not all of it. Although it may look like a busier construction season in many areas of the state, road and residential construction employment has not been high enough to offset the jobs lost when projects ended at remote sites and on military bases. (See "Construction Industry's Changing Role" in October Trends.)

August saw developments in other mining projects. Fairbanks Gold found a purchaser, Amax Gold, for its Fort Knox deposit. If Amax develops the deposit, they would employ several hundred workers to produce an estimated 350,000 ounces of gold a year (this compares to Alaska's total production in 1990 of 232,000 ounces). On the down side, owners of the proposed Wishbone Hill coal mine near Palmer decided to postpone development until 1994 at the earliest.

Mixed news in Alaska's manufacturing sector

Southeast Alaska continued showing negative employment growth in August, mainly due to a weakened wood products industry. (See Table 2.) Timber exports were down \$46.8 million in the first half of 1991 from the first half of 1990. Because of the soft market for pulp, Ketchikan Pulp Mill will temporarily put 200 people out of work when they shut down for three weeks in September.

Decline in this industry is not confined to Southeast. Chugach Alaska planned a slowdown of operations at their sawmill in Seward; instead they completely closed down, putting 120 out of work by the end of September. In the Interior Menasha Corp. announced they would not be opening a hardwood chipping operation, after spending a year doing a feasibility study.

Alaska's other large manufacturing sector, seafood processing, looked brighter from an employment standpoint than wood products. Although the industry lost 2,200 jobs from July to August, this usually happens as salmon processing winds down. Over-the-year comparisons showed this August had 700 more jobs. This year's catch of about 180 million fish topped last year's record-setting catch by about 16%. A flood of pink salmon is the main reason for the record harvest. This year's low prices, though, meant less revenue for fish harvesters. In addition, 1991's salmon weighed less than usual. Total pounds caught was ten million less than last year, while the number of fish was about 25 million more.

Low prices and low weights combined to put revenues at an estimated \$300 million for 1991, compared to \$550 million in 1990. The poor season, income-wise, was not limited to one area of the state. Communities in Southeast, Gulf Coast and Bristol Bay all felt the effects and will continue to do so during the winter as less income circulates through their economies.

Service sector keeps economy above water

Most of the industries in Alaska's service-producing sector continue to have more employment com-

Figure 1

Putting the Brakes on Alaska's Economy Percent Change in Employment, '90 to '91

Source: Alaska Department of Labor, Research and Analysis Section

*Mining, Manufacturing, Construction

**Transportation, Trade, Finance-Ins. & Real Estate, Services, Government

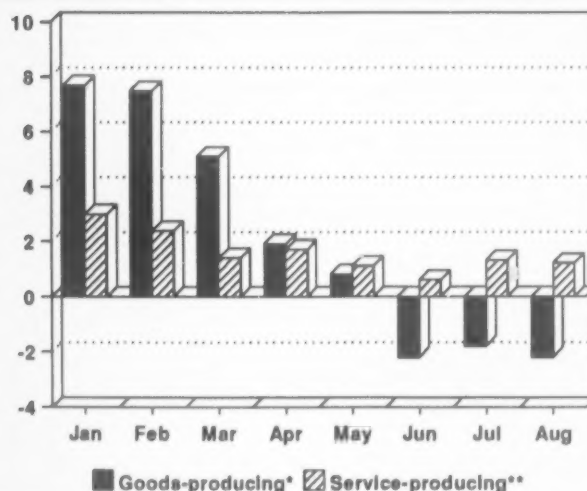


Table • 3

Alaska Hours and Earnings for Selected Industries

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	p/	r/	8/90	p/	r/	8/90	p/	r/	8/90
	8/91	7/91		8/91	7/91		8/91	7/91	
Mining	\$1,156.18	\$1,198.60	\$1,116.88	50.4	52.0	48.9	\$22.94	\$23.05	\$22.84
Construction	1,109.73	1,129.72	1,181.47	45.8	46.3	48.6	24.23	24.40	24.31
Manufacturing	597.30	529.50	629.72	55.0	50.0	54.1	10.86	10.59	11.64
Seafood Processing	547.53	470.75	563.57	60.5	53.8	59.7	9.05	8.75	9.44
Trans., Comm. & Utilities	644.79	655.45	598.88	35.1	35.7	34.9	18.37	18.36	17.16
Trade	365.15	366.97	361.76	33.5	33.3	34.0	10.90	11.02	10.64
Wholesale	594.00	588.85	550.37	39.6	39.6	39.2	15.00	14.87	14.04
Retail	317.49	320.96	322.75	32.2	32.0	32.9	9.86	10.03	9.81
Finance-Ins. & R.E	404.74	405.28	388.27	34.3	34.0	33.5	11.80	11.92	11.59

Notes:

p/ denotes preliminary estimates

r/ denotes revised estimates

Benchmark: March 1990

Averages are based on data for full- and part-time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

Source: Alaska Department of Labor, Research & Analysis Section.

pared to 1990, adding jobs at a 1-2% growth rate. Although these industries are holding their own, their growth rates are slowing as the year progresses and jobs are lost in mining, construction and manufacturing.

Until August, government employment was registering a decline in year-to-year comparisons. State government continues to employ fewer public servants than in 1990, but the negative comparisons for federal employment ended in August. That's because last year's census workers kept federal employment temporarily higher than usual for several months. The biggest drop occurred between July and August last year when several hundred jobs ended.

Local school districts employed several hundred more Alaskans this August than last, more than making up for a drop in other local government employment. This trend should continue into the new school year. School districts across the state reported record enrollments in September. The Mat-Su Borough took a never-used high school out of mothballs and had an 8% enrollment increase in the district. Kodiak schools set a 20-year high for number of students, and Valdez schools are nearing capacity with this year's increases. Anchorage saw their highest enrollment ever, surpassing the previous high set six years ago by more than 2,000.

Tourism up in most places

Although difficult to measure, all signs point to a tourism industry that is continuing to grow. The Alaska Railroad will have carried more than half a million passengers by the end of 1991, almost twice as many as just six years ago. In Skagway, the White Pass & Yukon

Railroad carried a record-setting 100,000 tourists in the 1991 season. More cruise ships stopped at ports in Southeast and Southcentral Alaska than ever before.

Two areas of the state were not bragging about this year's tourist season — the Kenai Peninsula and Kodiak Island. King salmon sport fishing closures cut into tourist businesses on the central Kenai Peninsula. Kodiak Island was more difficult for tourists to reach this year because of delays getting the state ferry Tustumena into operation. Definitive data are hard to come by since tourism employs people from many different industry categories, but operators on the Kenai and in Kodiak report declines in business ranging from 20% to 60%. Statistics from visitor bureaus and parks confirm there were fewer visitors in these two locations in 1991.

One industry that tourism affects is retail trade. Merchandisers and proprietors of eating and drinking establishments add employees in summer months to deal with the influx of tourists. This August retail trade barely registered growth with just 100 more jobs statewide than in 1990. Anchorage and Fairbanks had higher growth rates, but negative numbers in Southeast and Gulf Coast put a damper on the total picture.

Those retailers who rely on the local population for business remain optimistic, if plans for new stores are any indication. Two retailers in Fairbanks are putting the finishing touches on new stores — Fred Meyer and Sears Roebuck. In Anchorage the battle for market share of the membership-warehouse business continued. Pace (formerly Price Savers) countered Costco's news of plans for a second store located near Pace with their own plans for a second store near Costco's current location.

Summary: Economy barely holds on to growth

Although Alaska's economy continued to create more jobs this August than in August 1990, the count was a mere 1,300, for a growth rate of 0.5%. The unemployment rate held steady in August at July's 6.7%.

The goods-producing side of Alaska's economy—the mining, manufacturing and construction industries—all show job losses when over-the-year comparisons are made. Employment in the oil industry was down. There were no major projects on the North Slope this summer; operators were concentrating on consolidation and cost-cutting. Less activity on the North Slope also affected construction employment. Other reasons for a slower construction season are major projects at remote sites ended and there was less military-related construction than in the past.

In the manufacturing sector, the wood products industry continued to show weakness. This is having a major impact on the Southeast economy and, to a lesser extent, on Southcentral's fledgling wood products industry. The seafood industry fared better, with a record-setting salmon harvest in terms of number of fish. Low prices and smaller fish, however, mean this year's harvest will be worth little more than half of last year's.

Alaska's service sector was responsible for keeping the economy above water in August. All signs pointed to a very good year for tourism, with a couple notable exceptions (central Kenai Peninsula and Kodiak Island). There were several hundred fewer state workers in August compared to August 1990, but increases on the federal and local sides kept total government employment growing. By far most of the increases were in local education as communities across the state faced record school enrollments in 1991.

Table 4

Labor Force By Region and Census Area

	Labor Force			Unemployment			Rate %			Employment		
	p/ 8/91	r/ 7/91	8/90	p/ 8/91	r/ 7/91	8/90	p/ 8/91	r/ 7/91	8/90	p/ 8/91	r/ 7/91	8/90
Alaska Statewide	268,618	269,344	266,282	17,905	18,119	14,368	6.7	6.7	5.4	250,713	251,225	251,914
Anch.-MatSu Region	137,472	136,623	134,084	8,684	8,521	6,903	6.3	6.2	5.1	128,788	128,102	127,181
Municipality of Anchorage	121,575	120,742	118,598	6,838	6,733	5,336	5.6	5.6	4.5	114,737	114,009	113,262
MatSu Borough	15,897	15,881	15,486	1,846	1,788	1,567	11.6	11.3	10.1	14,051	14,093	13,919
Gulf Coast Region	33,882	34,481	34,600	2,382	2,412	2,160	7.0	7.0	6.2	31,500	32,069	32,440
Kenai Peninsula Borough	21,132	21,526	21,451	1,831	1,877	1,574	8.7	8.7	7.3	19,301	19,649	19,877
Kodiak Island Borough	7,582	7,725	7,827	228	238	253	3.0	3.1	3.2	7,354	7,487	7,574
Valdez-Cordova	5,168	5,230	5,322	323	297	333	6.3	5.7	6.3	4,845	4,933	4,989
Interior Region	37,204	37,286	37,074	3,201	3,239	2,484	8.6	8.7	6.7	34,003	34,047	34,590
Fairbanks North Star Bor.	32,205	32,289	32,200	2,722	2,768	2,208	8.5	8.6	6.9	29,483	29,521	29,992
Southeast Fairbanks	2,063	2,079	2,023	179	192	106	8.7	9.2	5.2	1,884	1,887	1,917
Yukon-Koyukuk	2,936	2,918	2,851	300	279	170	10.2	9.6	6.0	2,636	2,639	2,681
Northern Region	8,534	8,415	8,540	728	835	578	8.5	9.9	6.8	7,806	7,580	7,962
Nome	3,163	3,152	3,141	308	379	229	9.7	12.0	7.3	2,855	2,773	2,912
North Slope Borough	3,072	2,985	3,092	119	118	80	3.9	4.0	2.6	2,953	2,867	3,012
Northwest Arctic Borough	2,299	2,278	2,307	301	338	269	13.1	14.8	11.7	1,998	1,940	2,038
Southeast Region	38,418	38,092	38,932	2,249	2,428	1,667	5.9	6.4	4.3	36,169	35,664	37,265
Haines Borough	1,043	1,021	937	183	173	51	17.5	16.9	5.4	860	848	886
Juneau Borough	17,226	16,960	17,578	869	831	726	5.0	4.9	4.1	16,357	16,129	16,852
Ketchikan Gateway Bor.	7,116	7,148	7,238	413	539	332	5.8	7.5	4.6	6,703	6,609	6,906
Pr. of Wales-Outer Ketch.	2,984	2,946	2,884	317	316	136	10.6	10.7	4.7	2,667	2,630	2,748
Sitka Borough	4,439	4,418	4,564	178	217	174	4.0	4.9	3.8	4,261	4,201	4,390
Skagway-Yakutat-Angoon	1,786	1,796	1,829	121	154	113	6.8	8.6	6.2	1,665	1,642	1,716
Wrangell-Petersburg	3,824	3,803	3,902	168	198	135	4.4	5.2	3.5	3,656	3,605	3,767
Southwest Region	13,108	14,447	13,052	661	684	576	5.0	4.7	4.4	12,447	13,763	12,476
Aleutians East Borough	917	1,014	919	6	7	6	0.7	0.7	0.7	911	1,007	913
Aleutians West	2,579	2,852	2,587	26	29	28	1.0	1.0	1.1	2,553	2,823	2,559
Bethel	5,061	5,593	5,024	343	376	295	6.8	6.7	5.9	4,718	5,217	4,729
Bristol Bay Borough	504	546	498	23	14	16	4.6	2.6	3.2	481	532	482
Dillingham	2,317	2,566	2,328	63	74	69	2.7	2.9	3.0	2,254	2,492	2,259
Wade Hampton	1,730	1,876	1,696	200	184	162	11.6	9.8	9.6	1,530	1,692	1,534

Notes: p/ denotes preliminary estimates

r/ denotes revised estimates

Benchmark: March 1990

- Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey in formulas used to allocate federal funds.
- Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor.
- The official definition of unemployment currently in place excludes anyone who has made no attempt to find work in the four-week period up to and including the week that includes the 12th of each month. Most Alaska economists believe that Alaska's rural localities have proportionately more of these discouraged workers.
- The employment numbers that appear above are definitionally different from those that appear in the Nonagricultural Wage & Salary Employment tables.

Source: Alaska Department of Labor, Research & Analysis Section.

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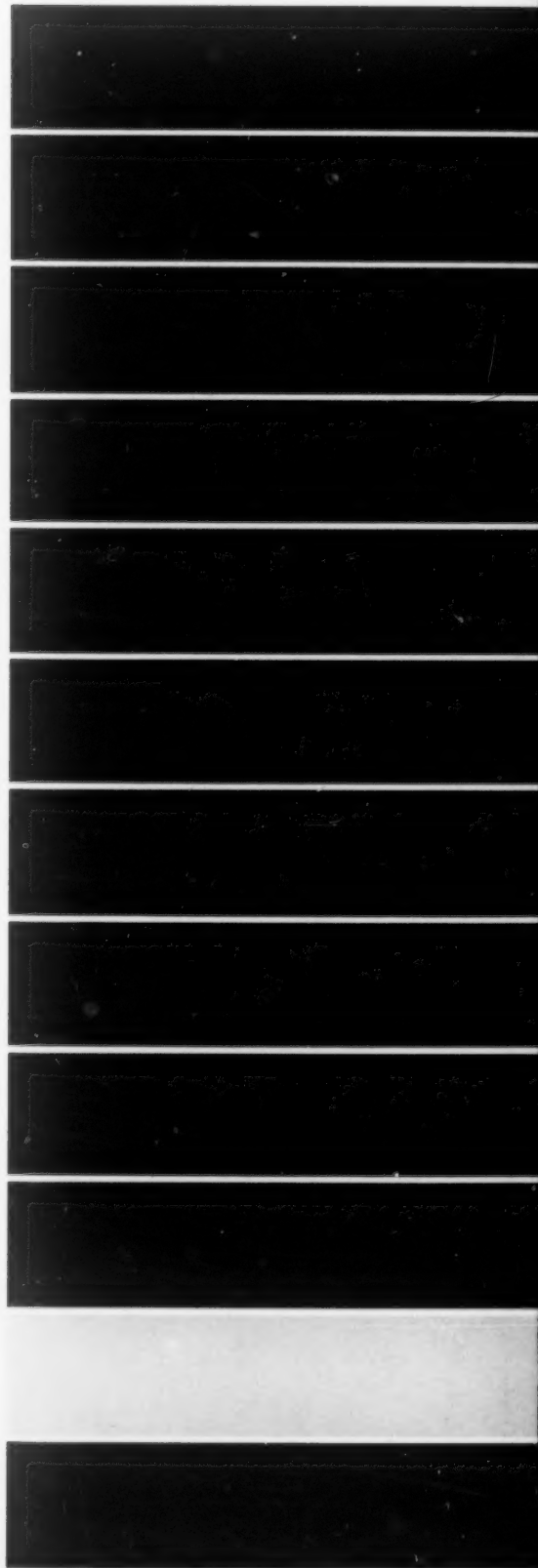
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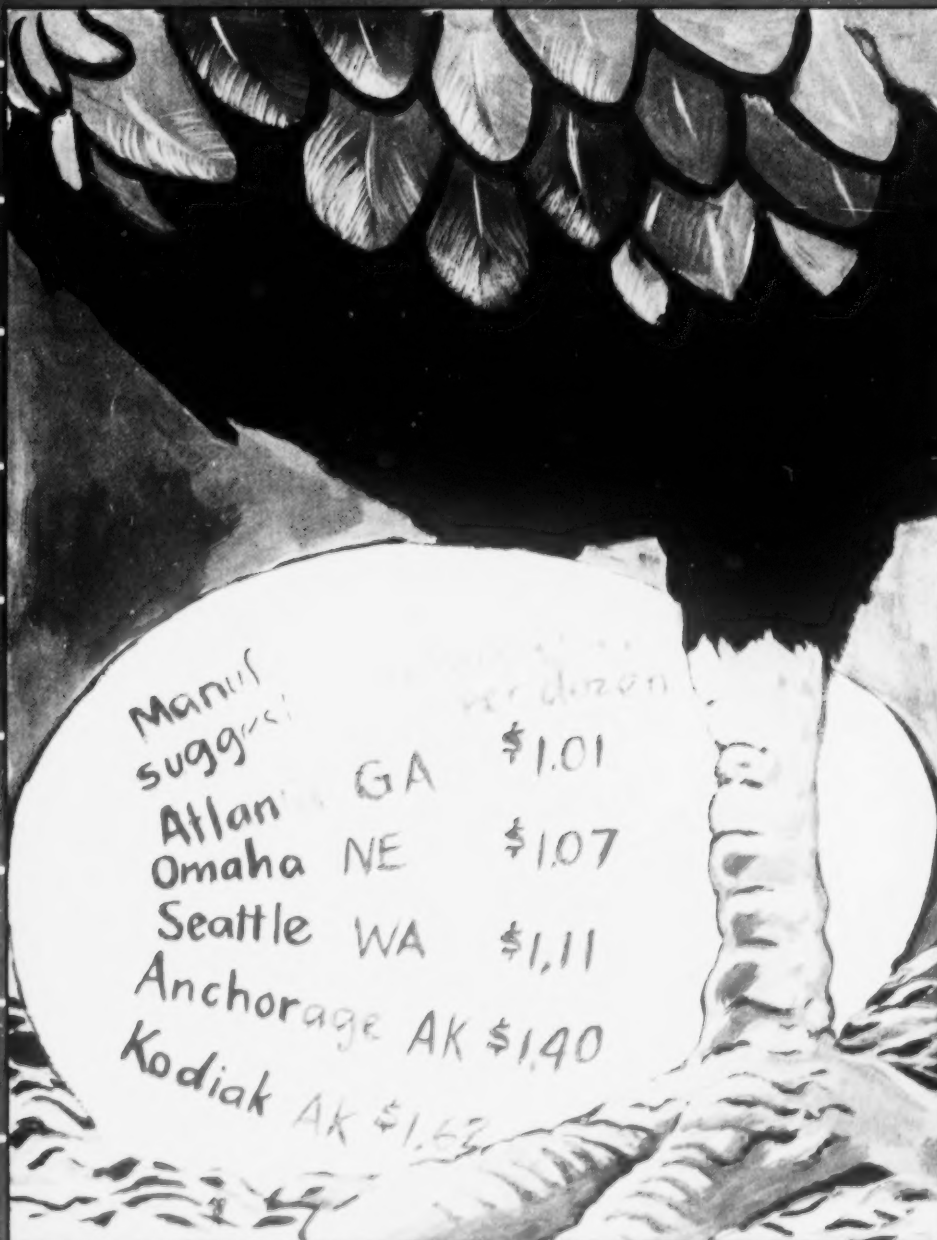


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ALASKA ECONOMIC

TRENDS



MEASURING AK'S
COST OF LIVING

SEPTEMBER: EMPLOYMENT
GROWTH STALLS

December 1991

ALASKA ECONOMIC
TRENDS

Contents

Alaska Economic Trends is a monthly publication dealing with a variety of economic-related issues occurring in the state.

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**Alaska State
Employment Service**



**UNEMPLOYMENT
INSURANCE**
maintaining the foundation of economic security

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Measuring Alaska's Cost of Living

By John Boucher

The current cost of living in Alaska, and the way the cost has changed over time, are two of the most frequently requested pieces of information available from the Alaska Department of Labor's Research and Analysis section. This article explains some of the cost of living measurements available for Alaska, their uses and their limitations.

A measure of inflation or cost differences by area?

Two types of cost of living measurements are available for Alaska. If you are interested in how prices have changed in one place over a period of time—commonly referred to as the inflation rate—the Consumer Price Index is the cost of living measurement you need. If you're interested in cost differences between two places—couched in questions like: Is it more expensive to live in Fairbanks than Seattle?—then a cost of living measurement like the ACCRA index or the Runzheimer International studies best suits your needs.

Be aware of the method and the "Market Basket"

Since it is prohibitively expensive to price every item consumers purchase, cost of living surveys track price changes of a sample of items from various expenditure categories (such as housing expenses, medical expenses, food expenses, etc.). This sample of items is called the survey's market basket.

When you choose a cost of living survey, it's a good idea to know what the survey's market basket is, and what population's buying habits the survey is trying to simulate. All surveys either give a listing of the items which make up the market basket, or define the type of household which the market basket was designed to represent. For example, the Runzheimer

data presented in this article assumes a family of four whose income level would be \$32,000 in the average cost city of those surveyed.

The Consumer Price Index—the nation's inflation measure

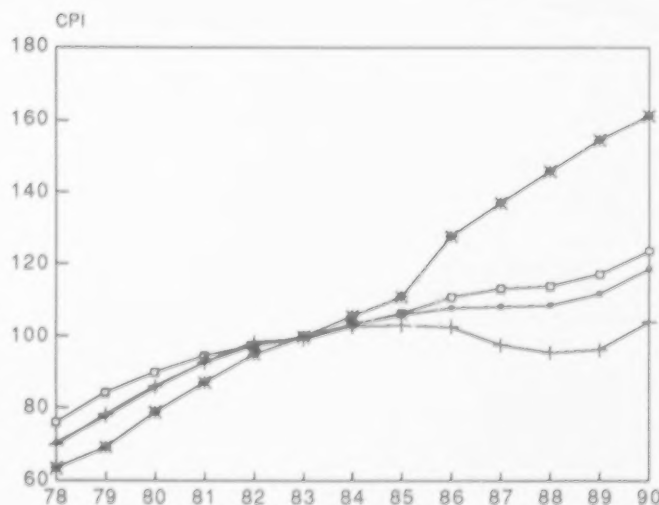
The majority of requests about Alaska's cost of living relate to the rate of inflation. The Consumer Price Index (CPI) is a national survey designed to answer questions about price changes. CPI information is often used to adjust rents, wages or other monetary payments for the effects of inflation.

To produce the CPI, the U.S. Department of Labor's Bureau of Labor Statistics gathers prices in 85 metropolitan areas throughout the country. In Alaska, only Anchorage prices are surveyed, and consequently the Anchorage CPI is the only "Alaskan" inflation measure. One shortcoming of having only Anchorage prices tracked is that the inflation rate in Anchorage may not be suitable in rural or even far removed urban areas of the state. Generally, Anchorage price trends reflect changes in the cost of living for most Alaskans. If you feel that the Anchorage CPI doesn't adequately measure inflation in

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Figure • 1

Consumer Price Index – Anchorage All Items and Selected Items



Source: Alaska Department of Labor, Research and Analysis Section.

Table • 1

Consumer Price Index – Urban Consumers U.S. and Alaska, All Items and Selected Components

Year	ALL ITEMS				ALL ITEMS LESS SHELTER				HOUSING		MEDICAL		FOOD & BEVERAGE	
	U.S. Average	Annual Percent Change	Anchorage Average	Annual Percent Change	U.S. Average	Annual Percent Change	Anchorage Average	Annual Percent Change	U.S. Average	Anchorage Average	U.S. Average	Anchorage Average	U.S. Average	Anchorage Average
1960	29.6		34.4											
1965	31.5	1.3	35.3	0.5										
1970	38.8	4.3	41.1	3.1										
1975	53.8	6.8	57.1	6.8										
1976	56.9	5.8	61.5	7.7	59.3		62.1		53.8	62.6	52.0	52.6	62.1	64.2
1977	60.6	6.5	65.6	6.7	63.1	6.4	66.6	7.2	57.4	65.5	57.0	57.9	65.8	68.9
1978	65.2	7.6	70.2	7.0	67.4	6.8	71.0	6.6	62.4	69.7	61.8	63.4	72.2	75.9
1979	72.6	11.3	77.6	10.5	74.2	10.1	77.0	8.5	70.1	78.0	67.5	69.1	79.9	84.0
1980	82.4	13.5	85.5	10.2	82.9	11.7	84.7	10.0	81.1	85.9	74.9	78.8	86.7	89.7
1981	90.9	10.3	92.4	8.1	91.0	9.8	92.0	8.6	90.4	92.5	82.9	86.9	93.5	94.3
1982	96.5	6.2	97.4	5.4	96.2	5.7	96.3	4.7	96.9	98.2	92.5	94.8	97.3	97.2
1983	99.6	3.2	99.2	1.8	99.8	3.7	99.9	3.7	99.5	99.0	100.6	99.7	99.5	99.7
1984	103.9	4.3	103.3	4.1	103.9	4.1	103.8	3.9	103.6	102.7	106.8	105.5	103.2	103.2
1985	107.6	3.6	105.8	2.4	107.0	3.0	107.5	3.6	107.7	103.0	113.5	110.9	105.6	106.2
1986	109.6	1.9	107.8	1.9	108.0	0.9	111.2	3.4	110.9	102.6	122.0	127.8	109.1	110.8
1987	113.6	3.6	108.2	0.4	111.6	3.3	115.1	3.5	114.2	97.5	130.1	137.0	113.5	113.1
1988	118.3	4.1	108.6	0.4	115.9	3.9	117.8	2.3	118.5	95.4	138.6	145.8	118.2	113.8
1989	124.0	4.8	111.7	2.9	121.6	4.9	122.3	3.8	123.0	96.3	149.3	154.4	124.9	117.2
1990	130.7	5.4	118.6	6.2			128.0	4.7		103.9		161.2		123.7
1st half 1988	116.8		108.4		114.4		117.0		117.2	95.8	136.5	143.0	116.5	113.5
1st half 1989	122.7	5.1	110.9	2.3	120.4	5.2	121.4	3.8	121.7	95.8	146.3	153.1	123.6	116.4
1st half 1990	128.7	4.9	116.9	5.4	126.2	4.8	126.5	4.2	126.8	102.2	159.1	160.1	131.0	122.5
1st half 1991	135.2	5.1	123.3	5.5		-100.0	132.0	4.3		109.5		170.1		128.2

Note: The most current Consumer Price Index data for Alaska is for the first half of 1991. For comparability, data for the first half of 1988, 1989 and 1990 are given to show the percentage change over the year.

Sources: U.S. Department of Labor, Bureau of Labor Statistics.

your area there are alternate measurements available. For example, the Bureau of Labor Statistics recommends that the national CPI data be used when adjusting for the effects of inflation. As a matter of practice though, most Alaskan users are more comfortable using the Anchorage CPI rather than the national CPI.

Housing component kept Anchorage inflation down during recession

By analyzing the different rates of inflation among expenditure categories, one can see how the different parts of your budget are affecting the overall CPI. (See Table 1 and Figure 1.) For example, health care costs have increased at a much more rapid rate than has the overall Anchorage CPI, while housing costs have lagged behind.

Each commodity group is given a weight—its contribution to the overall cost of living. While health care costs

have shot up in recent years, they account for only about 5% of the total cost of living. Housing costs, on the other hand, account for 38.5% of the Anchorage CPI.

The strong influence that housing costs have on the overall movement of the Anchorage CPI has been particularly noticeable the last several years. From 1986 to 1988, falling housing costs offset increases in the other components of the CPI, and the result was that the Anchorage CPI rose only slightly during these three years. The recent increase in inflation in Anchorage can be largely accounted for by the change in the housing market. When the housing component jumped from a 1.0% increase in 1989 to a 7.8% increase in 1990, the overall Anchorage CPI followed suit going from a 2.8% to a 6.2% increase in the overall rate of inflation.

The housing cost component is unique in the CPI especially in regard to home ownership costs. The CPI data assumes a consumer has just purchased or rented a

Cost of Food for a Week in Various Alaskan Communities – June 1991

Community	Cost of Food, 1 Week	Ratio of Food Cost to Anchorage Average (percent)
Anchorage	\$102.84	n/a
Bethel	152.49	148
Cordova	160.13	156
Delta	135.59	132
Dillingham	176.51	172
Fairbanks	114.65	111
Galena	181.15	176
Glenallen	149.12	145
Homer	122.07	119
Juneau	104.21	101
Kenai	112.10	109
Ketchikan	99.89	97
Kodiak	127.96	124
Little Diomed 2/	216.23	210
MatSu 1/	110.51	107
McGrath	160.59	156
Nome	150.29	146
Petersburg	113.66	111
Sand Point 2/	172.31	168
Sitka	116.11	113
Tok	143.45	139

home. To gauge housing expenditures this method can have some shortcomings. Many homeowners have a long-term fixed-rate mortgage and their monthly house payment does not vary to the extent that house prices and rents do. For this reason, the overall CPI figures tend to understate the inflation rate for homeowners during periods of rapidly declining house prices. The opposite is true during a period of rapidly increasing house prices and rents. To measure the inflation rate without the housing component BLS publishes a special index which excludes the housing-related costs— it's referred to as the All Items Less Shelter Index.

CPI measures inflation—not living costs between locations

CPI users should be aware of a common misinterpretation of the CPI index. It most often occurs when users compare CPI numbers among areas. For example, at 118.6 the annual average Anchorage CPI for 1990 is lower than the United States' average of 130.7. This does not mean that Anchorage has a lower cost of living than the average in the United States. The CPI measures inflation, not costs. The fact that the 1990 Anchorage CPI number is smaller than the overall U.S. index means that Anchorage prices have not risen as quickly as they have in the rest of the U.S. since the early 80s. (The base period, or when the two indexes equaled 100, is 1982-84.)

Three place-to-place comparisons—each with different results

There are several different indices which compare living costs between places. Each of these cost of living indices show a different result when you compare living costs between locations. One reason for this is the method that is used to measure cost of living differences. For example, the Cost of Food at Home for a Week survey, done quarterly by the University of Alaska's Cooperative Extension Service, only measures the cost of food. This represents a significant portion of a consumer's budget, but it is not intended to be a comprehensive measurement of the cost of living.

The Cost of Food at Home study measures the cost to feed various size families in different locations in Alaska. The report also contains comparative information on some utility and fuel costs. One of its strengths is its wide geographic coverage. It provides comparative measures for locations not covered by any other cost index, in particular rural Alaska.

Costs are for a family of four with elementary school children. Sales tax included in food and utility cost.

1/ Mat-Su area's 2% tax is the rate for Palmer and is not used in tabulating costs.

2/ These communities were estimated because not all food items were available.

Comparing the cost of living between communities in Alaska is made difficult by several factors. Many goods and services available in larger cities are not readily available in rural areas. The buying habits of urban residents vary from people in rural communities. Different consumption patterns in urban and rural areas complicate comparisons in the cost of living. Subsistence contributions to some households also make cost of living comparisons more difficult. The Cost of Food survey assumes that all goods are purchased in the local community—none are acquired through subsistence means or from merchants outside of the community.

Source: "Cost of Food at Home for a Week," June 1991
University of Alaska
Cooperative Extension Service
U.S. Dept. of Agriculture and
SEA Grant Cooperating

Table • 3

Cost of Food at Home for a Week 1978-1991

Month/Year	Anch.	Fbks.	Percent of Anch. Avg.	Juneau	Percent of Anch. Avg.	Bethel	Percent of Anch. Avg.	Nome	Percent of Anch. Avg.	Kodiak	Percent of Anch. Avg.	Kenai	Percent of Anch. Avg.	Tok	Percent of Anch. Avg.
9/78	\$76.67	\$84.15	109.8	\$73.72	96.2	\$114.05	148.8	\$118.85	155.0	-	-	\$82.48	107.6	-	-
12/79	85.80	91.92	107.1	77.55	90.4	120.44	140.4	124.62	145.2	-	-	100.41	117.0	-	-
9/80	88.44	90.54	102.4	85.92	97.2	130.87	148.0	131.14	148.3	\$99.42	112.4	120.84	136.6	\$108.82	123.0
9/81	86.69	98.47	113.6	93.95	108.4	138.66	159.9	150.27	173.3	-	-	-	-	114.80	132.4
9/82	77.30	92.09	119.1	99.98	129.3	125.50	162.4	149.04	192.8	-	-	-	-	-	-
9/83	81.66	83.79	102.6	88.62	108.5	128.30	157.1	130.14	159.4	104.94	128.5	86.98	106.5	-	-
9/84	84.22	91.26	108.4	91.66	108.8	136.54	162.1	142.07	168.7	115.97	137.7	87.97	104.5	121.66	144.5
9/85	89.06	90.08	101.1	106.61	119.7	138.13	155.1	152.41	171.1	108.17	121.5	91.47	102.7	116.19	130.5
9/86	87.25	90.61	103.9	87.65	100.5	137.96	158.1	142.04	162.8	105.49	120.9	92.78	106.3	124.18	142.3
9/87	88.90	85.12	95.7	88.24	99.3	140.81	158.4	147.96	166.4	104.39	117.4	96.95	109.1	117.51	132.2
9/88	90.99	94.74	104.1	92.95	102.2	137.57	151.2	147.69	162.3	116.68	128.2	95.53	105.0	119.69	131.5
9/89	93.80	94.33	100.6	96.73	103.1	140.65	149.9	-	-	124.61	132.8	104.20	111.1	139.43	148.6
9/90	98.73	103.49	104.8	100.86	102.2	146.92	148.8	155.48	157.5	154.55	156.5	103.21	104.5	131.03	132.7
6/91	102.84	114.65	111.5	104.21	101.3	152.49	148.3	150.29	146.1	127.96	124.4	111.88	111.0	143.45	139.5

Notes: Family of four with elementary school children. Sales tax included in food prices. June 1991 data for Kenai was not available so March 1991 data was substituted.

- Data unavailable

Source: "Cost of Food at Home for a Week," September 1978 to June 1991, University of Alaska Cooperative Extension Service U.S. Dept. of Agriculture and SEA Grant Cooperating

Food costs are higher in rural Alaska

Table 2 shows the cost of food for a week for a family of four with elementary school children for 20 Alaska communities. The June 1991 figures show that Anchorage has the lowest costs of the areas surveyed. Larger cities in Alaska have food costs which are fairly comparable to those in Anchorage.

The Cost of Food survey has consistently shown that the most expensive cities are the smaller and more isolated communities. This continues to be true. In places such as Bethel and Dillingham food costs are 50 to 70% higher than in Anchorage. The Cost of Food study shows an interesting contrast between Alaska and other areas of the United States. In the lower 48, larger urban areas tend to have higher costs of living than less populated areas. The opposite is true for Alaska. The cost of food and other basics such as fuel are higher in rural Alaskan communities than in the state's urban centers.

Another interesting point about this survey is that the basic relationship of higher food costs in Alaska's rural areas has not changed much during the last 14 years. Table 3 shows the difference in the cost of food between Anchorage and other Alaskan communities. It also

shows the changes in costs over time within each community in the study.

ACCRA Index places Alaskan cities among most expensive

Another place-to-place cost of living measure is provided by the American Chamber of Commerce Researchers Association (ACCRA). The ACCRA cost of living study compares costs for roughly 290 cities in the United States. The ACCRA study can be used to compare some costs among a few of Alaska's cities and other cities across the nation. In the ACCRA study, a standardized list of 59 items is priced during a fixed period of time. The items priced are intended to reflect the spending patterns of a mid-management executive household.

Although state and local taxes are a part of the cost of living, the ACCRA index does not take them into account. Because of the limited number of items priced, a difference of less than three in the ACCRA cost of living index (such as 129 vs. 131) is considered statistically insignificant. A difference in the index greater than three is considered to show a cost of living difference.

Five Alaskan cities are included in the quarterly ACCRA study—Anchorage, Fairbanks, Juneau, Ketchi-

ACCRA Cost of Living Index First Quarter 1991 – 20 High Cost Urban Areas

kan, and Kodiak. The 1st Quarter 1991 ACCRA data show that the Alaskan cities are among the 10 highest cost areas surveyed (See Table 4). Fairbanks has the lowest index of the five Alaskan cities in the ACCRA study. According to the index Anchorage has a cost of living roughly 35% higher than the all cities' average. Some cities known to have a high cost of living, such as Boston, New York, and Washington D.C. are not included in the current data.

The Alaska cities in the ACCRA study have the highest costs for several of the six major components of the ACCRA index (Table 4). Kodiak had the highest index for groceries. Ketchikan was tops in the health care and miscellaneous categories. Alaska's five cities had the five highest index numbers for health care costs and five out of the top six for groceries.

ACCRA points to a smaller difference in housing costs

Housing costs have always been thought of as exceptionally high in Alaska. Although they may be high, the ACCRA housing index shows that some areas in the nation have comparable housing costs. Generally the lowest rankings for Alaska's cities were in the ACCRA housing cost index. The Anchorage utilities index was lower than about one-quarter of the cities in the ACCRA study.

Comparative figures for Alaskan cities and other cities around the nation are presented in Tables 5 and 6. Table 5 shows the ACCRA cost of living indexes while Table 6 contains prices for some of the goods and services in the ACCRA study.

City	Total Index	Grocery	Housing	Util.	Transp.	Health	Misc.
Nassau-Suffolk, NY	152.1	118.9	207.4	217.6	129.0	134.4	120.5
KODIAK, AK	147.9	154.1	158.8	209.6	116.0	184.8	119.0
KETCHIKAN, AK	147.1	135.5	158.1	173.1	122.0	196.1	135.6
JUNEAU, AK	137.4	127.8	140.4	157.4	132.8	192.7	122.3
Hilo, HI	135.4	144.7	170.4	113.6	123.3	120.6	121.0
ANCHORAGE, AK	135.0	128.9	155.6	114.2	119.3	172.9	128.8
FAIRBANKS, AK	133.7	132.9	112.9	169.4	123.1	191.9	127.3
San Diego, CA	131.4	103.5	211.7	71.4	127.8	135.4	111.1
Schaumburg, IL	128.7	109.8	198.1	111.0	109.2	110.9	107.6
Philadelphia, PA	127.6	113.4	139.3	179.5	111.7	134.4	113.6
Anaheim-Santa Ana, CA	125.9	104.9	203.6	71.7	113.9	142.8	101.9
Oxnard-Ventura, CA	124.6	104.9	202.5	64.9	114.3	136.1	102.4
Los Angeles-Long Beach, CA	120.9	104.9	185.3	73.7	108.8	129.0	103.4
Palm Springs, CA	119.4	106.7	146.4	100.4	120.9	129.3	110.9
Ithaca, NY	118.5	101.9	142.5	132.6	119.9	100.1	108.7
Springfield, MA	117.9	106.4	149.0	130.2	109.4	110.1	102.7
Bakersfield, CA	117.1	108.5	116.1	103.1	114.9	141.4	123.2
Boca Raton, FL	116.5	96.7	138.8	121.5	109.4	112.1	113.5
Merced County, CA	116.4	107.6	128.7	110.6	115.8	141.3	109.0
West Palm Beach, FL	115.6	99.9	137.2	127.6	96.9	130.3	108.9

Ranking of Alaska Cities by Category

Anchorage, AK	6	5	10	56	17	5	2
Fairbanks, AK	7	4	56	5	6	3	3
Juneau, AK	4	6	18	6	1	2	5
Ketchikan, AK	3	3	9	4	7	1	1
Kodiak, AK	2	1	8	2	14	4	9

The ACCRA cost of living study is designed around spending patterns found in major American urban centers. The data collected in the pricing survey is an attempt to match the items found in the larger areas. This process tends to ignore the living costs found in atypical areas. For example, the transportation costs in the ACCRA study include items such as bus fare, the price of a gallon of gasoline, and automobile wheel balancing.

For many areas in Alaska, such as Juneau, Ketchikan, and Kodiak, a typical living cost may include expensive transportation just to leave town. Air fare, which may be a luxury or just one option for travel elsewhere, is a necessity in many areas of Alaska. This example

Source: American Chamber of Commerce Researchers Association, Urban Area Index Data, 1st Quarter 1991 (291 Urban Areas Surveyed)

Table • 5

ACCRA Cost of Living Index First Quarter 1991

City	Total Index	Grocery	Housing	Util.	Transp.	Health	Misc.
West							
ANCHORAGE, AK	135.0	128.9	155.6	114.2	119.3	172.9	128.8
FAIRBANKS, AK	133.7	132.9	112.9	169.4	123.1	191.9	127.3
JUNEAU, AK	137.4	127.8	140.4	157.4	132.8	192.7	122.3
KETCHIKAN, AK	147.1	135.5	158.1	173.1	122.0	196.1	135.6
KODIAK, AK	147.9	154.1	158.8	209.6	116.0	184.8	119.0
Portland, OR	109.2	104.8	131.0	71.7	109.6	132.2	103.8
Salt Lake City, UT	92.1	90.1	80.2	89.5	104.1	85.9	99.2
San Diego, CA	131.4	103.5	211.7	71.4	127.8	135.4	111.1
Seattle, WA	115.1	117.9	144.9	62.2	119.1	140.9	103.4
Southwest							
Albuquerque, NM	101.7	94.3	103.9	95.4	101.9	111.8	104.3
Dallas, TX	103.7	100.1	102.2	116.9	106.4	108.4	99.8
Phoenix, AZ	102.0	95.8	98.0	101.9	108.4	116.9	102.3
Midwest							
Minneapolis, MN	98.8	87.4	99.7	97.1	104.1	111.3	100.0
Omaha, NE	90.4	94.9	84.3	91.6	103.4	82.7	87.9
St. Louis, MO	97.8	97.6	99.1	107.2	98.6	101.0	92.5
Southeast							
Atlanta, GA	100.9	98.9	101.4	115.1	102.1	112.3	93.2
Birmingham, AL	100.4	96.1	97.7	111.7	97.3	93.8	103.4
Louisville, KY	96.2	96.7	93.9	78.8	99.2	88.4	104.5
Atlantic/New England							
Philadelphia, PA	127.6	113.4	139.3	178.5	111.7	134.4	113.6
Springfield, MA	117.9	106.4	149.0	130.2	109.4	110.1	102.7
Wilmington, DE	112.8	112.0	124.3	96.1	108.1	119.7	111.4

For this study, a "base" family was created—two parents, two children, living in a 1,500 square foot home with 3 bedrooms and 1.5 baths, driving two automobiles. This family had an income of \$32,000 in Standard City, a fictitious city which had costs close to the median of all the cities in the survey. The standard of living attainable in Standard City was then priced in each of the surveyed areas.

The October 1990 Runzheimer survey shows that the three Alaskan cities studied, Anchorage, Fairbanks and Juneau, have quite moderate costs compared to the other areas surveyed. In this survey, costs were only 1.3% to 4.3% above Standard City. (See Table 7.)

One assumption critical to the results of the survey was the duration of home ownership. Like the Consumer Price Index and ACCRA surveys, the guidelines in the Runzheimer survey assume a recent home purchase. The volatility of the Alaska housing market greatly impact-

Source: American Chamber of Commerce Researchers Association, Urban Area Index Data, 1st Quarter 1991 (291 Urban Areas surveyed)

illustrates that the ACCRA index may very much understate the true differences between some of Alaska's cities and the all cities' average.

Runzheimer study shows smaller cost of living differential

A slightly different approach to calculating the differences among cities is taken in a study commissioned by the Alaska Department of Labor. Runzheimer International, a private research firm, looked at the comparative incomes necessary to maintain a certain standard of living in 253 different areas of the country. This income approach takes into account certain elements left out of the ACCRA cost of living measure, such as an area's tax rates.

the cost of housing in the results. Mortgage payments accounted for 26% of the family's total living costs in Standard City. Anchorage was only slightly higher than 26%, while Juneau and Fairbanks were between 22% and 25% of total living costs going towards mortgage payments.

Several years ago, when Alaska's real estate prices were at their highest, a larger share of total income went towards housing costs. Some of the higher cost areas of the country see the greatest difference in the housing cost component—in Los Angeles over 40% of total living costs go towards mortgage payments. Those persons who bought a home during the mid-80s are paying off higher mortgages than those reported in the

ACCRA Inter-City Cost of Living Index 1st Quarter 1989

City	1 lb Ground Beef	1/2 gal Whole Milk	1 doz Grade A Lg. Eggs	1 lb Coffee	House Purchase Price	Total Energy Cost	1 gal Gas	Hospital Room	Office Visit Doctor
West									
ANCHORAGE, AK	\$1.77	\$1.76	\$1.40	\$3.18	158,805	\$130.88	\$1.43	\$467.50	\$61.00
FAIRBANKS, AK	1.81	1.79	1.64	3.04	110,667	198.23	1.57	372.00	57.80
JUNEAU, AK	1.80	1.88	1.06	3.09	134,700	183.26	1.79	380.00	46.20
KETCHIKAN, AK	1.62	2.04	1.52	3.58	164,333	205.53	1.76	425.00	63.00
KODIAK, AK	1.86	2.10	1.62	3.59	161,667	242.30	1.82	359.00	42.93
Portland, OR	1.69	1.34	1.26	3.26	137,820	74.04	1.38	398.10	34.80
Salt Lake City, UT	1.03	1.42	1.09	2.79	82,650	97.38	1.34	272.00	24.40
San Diego, CA	1.76	1.31	1.60	2.43	233,000	78.86	1.31	447.75	42.60
Seattle, WA	1.57	1.45	1.11	2.93	159,600	64.12	1.34	443.80	41.80
Southwest									
Albuquerque, NM	1.35	1.49	1.18	2.57	107,398	105.46	1.03	273.00	31.00
Dallas, TX	1.43	1.51	1.14	2.00	104,470	130.70	1.18	293.00	39.86
Phoenix, AZ	1.34	1.20	1.17	2.26	97,713	114.46	1.29	311.68	37.62
Midwest									
Minneapolis, MN	0.98	1.21	0.96	2.41	103,800	103.70	1.20	441.40	31.60
Omaha, NE	1.56	1.19	1.07	2.37	86,787	96.78	1.25	233.00	29.20
St. Louis, MO	1.52	1.27	1.15	2.22	101,096	119.38	1.08	291.50	34.70
Southeast									
Atlanta, GA	1.82	1.59	1.01	2.37	103,200	128.44	1.14	252.80	37.00
Birmingham, AL	1.60	1.36	1.07	2.51	105,000	119.89	1.14	288.40	32.33
Louisville, KY	1.70	1.53	0.96	2.32	99,350	80.09	1.17	303.68	29.83
Atlantic/New England									
Philadelphia, PA	1.61	1.17	1.19	3.09	144,980	209.10	1.32	429.00	46.00
Springfield, MA	1.86	1.31	1.27	2.26	163,470	147.69	1.29	298.50	35.67
Wilmington, DE	1.75	1.29	1.25	2.51	134,164	107.71	1.26	410.00	32.00
ALL CITIES MEAN	1.59	1.37	1.15	2.53	106,067	109.88	1.23	274.52	31.62

Runzheimer report. As Alaska's housing market recovers, mortgage costs will again rise, increasing total living costs.

Lower taxes contribute to lower living costs

If you examine the component indexes of the Runzheimer study, most range from five to ten percent above the average cost of living except the taxation component. The Runzheimer study indicates that the portion of income that goes to taxes in Alaska is anywhere from 10

to 15 percent below the average of the areas studied. This is a significant reason why the Runzheimer index does not show living costs to be higher in Anchorage, Fairbanks and Juneau than elsewhere in the country. Another factor to remember is that Runzheimer does not take into account a program like Alaska's Permanent Fund Dividend. If every member of the fictitious Runzheimer family received an Alaska Permanent Fund check, that would add about \$3,700 to the household's income. This amounts to a significant reduction in the overall tax burden on Alaskans.

Note: All cities mean is the arithmetic mean price of all 291 cities in the 1st quarter 1991 survey.

Source: American Chamber of Commerce Researchers Association, Cost of Living Index, Average Price Data, (291 Urban Areas surveyed) 1st Quarter 1991.

Table • 7

Runzheimer International Living Cost Standards – October 1990

City	Total Costs	% of Standard City	Taxation ^{1/}	% of Standard City	Transportation	% of Standard City	Housing ^{2/}	% of Standard City	Misc. Goods & Services, Other ^{3/}	% of Standard City
Anchorage, AK	\$33,380	104.3	\$6,640	90.9	\$4,540	112.8	\$12,572	107.1	\$10,412	108.4
Fairbanks, AK	32,426	101.3	6,289	86.1	4,481	111.3	11,457	97.6	10,533	109.7
Juneau, AK	33,255	103.9	6,535	89.5	4,327	107.5	12,158	103.6	10,569	110.1
STANDARD CITY	32,000	—	7,301	—	4,025	—	11,736	—	9,601	—
Albuquerque, NM	31,050	97.0	7,106	97.3	4,047	100.5	11,379	97.0	8,852	92.2
Atlanta, GA	32,944	103.0	7,769	106.4	4,458	110.8	11,793	100.5	9,268	96.5
Augusta, ME	32,379	101.2	7,511	102.9	3,856	95.8	12,133	103.4	9,213	96.0
Birmingham, AL	29,589	92.5	7,309	100.1	3,777	93.8	9,874	84.1	8,963	93.4
Boston, MA	40,723	127.3	7,372	101.0	5,043	125.3	19,261	164.1	9,381	97.7
Chicago, IL	36,293	113.4	7,756	106.2	4,329	107.6	15,098	128.6	9,444	98.4
Dallas, TX	30,926	96.6	7,075	96.9	4,580	113.8	10,129	86.3	9,476	98.7
Denver, CO	30,690	95.9	7,243	99.2	4,468	111.0	10,320	87.9	8,993	93.7
Detroit, MI	35,527	111.0	8,217	112.5	4,642	115.3	13,805	117.6	9,197	95.8
Honolulu, HI	42,535	132.9	4,771	65.3	4,841	120.3	21,879	186.4	11,377	118.5
Indianapolis, IN	30,834	96.4	7,570	103.7	4,173	103.7	10,549	89.9	8,876	92.4
Jacksonville, FL	30,081	94.0	6,604	90.5	4,041	100.4	10,560	90.0	9,210	95.9
Los Angeles, CA	43,823	136.9	6,218	85.2	5,527	137.3	22,874	194.9	9,538	99.3
Milwaukee, WI	32,629	102.0	8,806	120.6	3,969	98.6	11,294	96.2	8,894	92.6
New York, NY	43,804	136.9	7,874	107.8	7,165	178.0	19,176	163.4	9,923	103.4
Philadelphia, PA	37,440	117.0	8,261	113.1	5,004	124.3	15,165	129.2	10,165	105.9
Portland, OR	32,629	102.0	8,248	113.0	4,174	103.7	11,209	95.5	9,332	97.2
San Francisco, CA	48,948	153.0	6,157	84.3	5,065	125.8	28,334	241.4	9,726	101.3
Seattle, WA	34,332	107.3	6,464	88.5	4,521	112.3	14,384	122.6	9,297	96.8
St. Louis, MO	32,207	100.6	7,677	105.1	3,984	99.0	11,804	100.6	9,076	94.5
Washington, D.C.	38,942	121.7	6,724	92.1	4,432	110.1	18,220	155.2	9,900	103.1

1/ Sales tax (if applicable) and general real estate taxes added into federal, state, local and FICA taxes.

2/ General real estate taxes subtracted from housing component.

3/ Sales tax (if applicable) subtracted from misc. goods and services components.

Source: Runzheimer's Living Cost Index, October, 1990

Summary

The first question one must answer when looking for cost of living information is what type of comparison needs to be made. Is one interested in how costs changed over time, or how costs differ between places? Answering this question narrows the field of appropriate cost of living surveys.

Next a decision must be made on the suitability of different surveys—some surveys look at subsets of the total cost of living package, such as the Cost of Food at Home survey. Some surveys might look at a population unlike the one being studied. The ACCRA survey's mid-management family might not reflect the cost of living for poverty income level families.

In Alaska, particularly in smaller communities, survey choices are few. Only the Cost of Food at Home and the ACCRA Cost of Living Index include more than the three largest Alaska cities. These surveys have limitations in the scope of goods priced. For this reason, a data user might be forced to use an index which only approximates cost of living differences.

Given their limitations, all cost of living indexes involve some sort of compromise answer. Still, the indexes mentioned in this article provide some baseline information to help answer these questions. When used with proper care, the information can help one compare how far their dollar will go.

Summary of Cost of Living Indexes

Survey Consumer Price Index

Population	All urban consumers (CPI-U) or urban wage and clerical workers (CPI-W).
Strength	Measures costs in one location over time; the only available inflation measure.
Weakness	Can only compare the change in the cost-of-living for specific locations; only one Alaskan area surveyed: Anchorage.

Survey ACCRA Cost of Living Index

Population	Midmanagement level family
Strength	Compares many locations to a national average.
Weakness	No tracking of changes over time; lacks consistency in price collection.

Survey Cost of Food at Home Study

Population	Lower income individuals or families
Strength	Compares minimum food costs for smaller Alaskan communities excluded from other studies.
Weakness	No good comparison of national data; only looks at food costs, not entire cost of living.

Survey Runzheimer's Living Cost Index

Population	Family with \$32,000 in income, living in average cost city
Strength	Considers income needed to maintain a specific standard of living in different cities; includes taxes.
Weakness	Market basket may not reflect local consumption patterns.

September Employment Growth Near A Standstill

By Neal Fried

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As the year begins to close, more negatives than positives are exhibiting themselves in Alaska's economy. The spirited economic recovery which began in 1988 appears to have lost most of its steam. In 1989 and 1990 nearly all of the state's industries were expanding, now more are losing ground than gaining. The total employment numbers are still positive, but only barely (See Figure 1). Accompanying this slowdown in employment growth is a worsening labor market picture.

Alaska's job market keeps getting tougher

September's unemployment rate of 7.5% is a sign of this deteriorating labor market. The number of unemployed

climbed from 16,407 last year in September to 19,643 this September.

This worsening labor market picture predates the present economic slowdown. The large influx of victims of the national recession continues to put pressure on the Alaska job market. These job seekers have come from all over the nation. Of those out-of-state job seekers who made phone inquiries through September, the largest number came from California. (See Figure 2.) It is no surprise California leads the list given its present gloomy economic picture, size, and relative geographic proximity. The number two and three states, New York and Florida, are somewhat more surprising because of their distance from Alaska. Both are large states, however,

and their economies are in rough shape. An unusual twist is that Oregon and Washington were not among the top three. They are typically primary Alaska labor market feeders; but at the present time, both states are in relatively good economic shape.

This combination of a continued influx of job seekers and the present economic slowdown can only lead to even higher rates of unemployment for the foreseeable future. If the number of jobs remains unchanged or declines and the number of job seekers continues to climb, unemployment can only head in one direction. It will take a strong national economic recovery or a dramatic turnaround in the direction of Alaska's economy for the employment picture to improve.

More than half of industries losing ground

Trade is the latest industry to show negative job

Table • 1

Nonagricultural Wage and Salary Employment by Place of Work — Alaska

Notes: Prepared in cooperation with the U.S. Bureau of Labor Statistics.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear here are definitionally different from those that appear in the Labor Force table.

Benchmark: March 1990
p/ denotes preliminary estimates
r/ denotes revised estimates

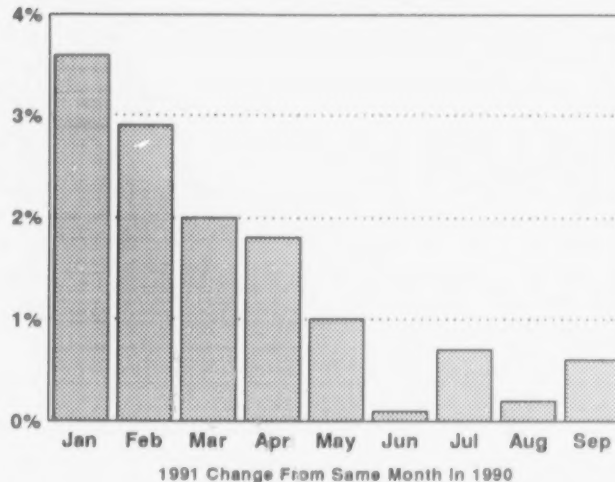
Source: Alaska Department of Labor, Research & Analysis Section.

	p/ 9/91	r/ 8/91		Changes from:		
			9/90	8/91	9/90	
Total Nonag. Wage & Salary	250,600	256,800	249,200	-6,200	1,400	
Goods-producing	42,100	48,300	43,000	-6,200	-900	
Mining	12,100	12,600	12,500	-500	-400	
Construction	12,900	13,100	13,000	-200	-100	
Manufacturing	17,100	22,600	17,500	-5,500	-400	
Durable Goods	3,700	3,700	4,600	0	-900	
Lumber & Wood Products	2,700	2,700	3,600	0	-900	
Nondurable Goods	13,400	18,900	12,900	-5,500	500	
Seafood Processing	9,500	15,000	9,100	-5,500	400	
Pulp Mills	900	900	900	0	0	
Service-producing	208,500	208,500	206,200	0	2,300	
Transportation	22,900	23,200	22,300	-300	600	
Trucking & Warehousing	2,700	2,800	2,700	-100	0	
Water Transportation	1,600	1,600	1,600	0	0	
Air Transportation	7,200	7,400	7,100	-200	100	
Communications	3,600	3,600	3,400	0	200	
Trade	47,800	49,200	48,200	-1,400	-400	
Wholesale Trade	8,400	8,500	8,600	-100	-200	
Retail Trade	39,400	40,700	39,600	-1,300	-200	
Gen. Merch. & Apparel	6,400	6,500	6,000	-100	400	
Food Stores	6,800	6,900	7,100	-100	-300	
Eating & Drinking Places	13,900	14,400	13,900	-500	0	
Finance-Ins. & Real Estate	10,300	10,500	10,300	-200	0	
Services & Misc.	55,000	56,300	53,100	-1,300	1,900	
Hotels & Lodging Places	6,600	7,200	6,400	-600	200	
Government	72,500	69,300	72,300	3,200	200	
Federal	19,400	19,400	19,200	0	200	
State	21,900	20,600	22,000	1,300	-100	
Local	31,200	29,300	31,100	1,900	100	

growth in Alaska on an over-the-year basis—both at the wholesale and retail levels. This comes after more than three years of uninterrupted growth. Since 1988 trade generated more than 5,000 new jobs in the state's economy—a stellar performance by most standards. What has happened? To a large extent trade's condition is a reflection of the weakened basic sectors of the economy. Without a healthy basic sector, retail trade cannot flourish. Few large-scale layoffs have hit the industry. Instead, it appears many retailers are cutting back staff levels slowly.

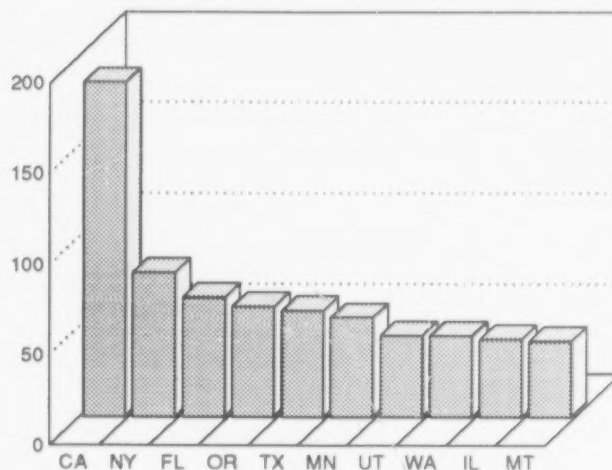
Although the direction trade employment is taking is understandable, it is curious in light of the fact that a number of major new retailers and wholesalers are expected to enter the Alaska market during the next twelve months. New Sears and Fred Meyer stores are scheduled to open in Fairbanks before Christmas with a combined staff of 400-500. In addition, the wholesale-like businesses such as Costco, Pace and Eagle Building Supply are all planning to open additional stores in Anchorage in 1992-93. The Carrs Grocery chain is presently expanding and has plans to grow in different parts of the state. It's possible that when these new stores open their doors trade employment could again show positive growth. Given the present economic picture, however, it may end up being more of a case of redistributing market share.

Employment Growth Rate Hovers Near Zero



Source: Alaska Department of Labor, Research and Analysis Section.

Out-of-State Job Seeker Inquiries January-September 1991



Source: Alaska Department of Labor, Research and Analysis Section.

Table • 2

Nonagricultural Wage and Salary Employment By Place of Work

Municipality of Anchorage

	Changes from:				
	p/ 9/91	r/ 8/91	9/90	8/91	9/90
Total Nonag. Wage & Salary	117,000	118,100	115,450	-1,100	1,550
Goods-producing	13,650	14,450	13,750	-800	-100
Mining	3,750	3,900	3,950	-150	-200
Construction	7,350	7,500	7,300	-150	50
Manufacturing	2,550	3,050	2,500	-500	50
Service-producing	103,350	103,650	101,700	-300	1,650
Transportation	11,800	12,000	11,600	-200	200
Trucking & Warehousing	1,700	1,700	1,750	0	-50
Water Transportation	300	300	250	0	50
Air Transportation	4,200	4,350	4,300	-150	-100
Communications	2,200	2,200	1,950	0	250
Trade	26,800	27,100	26,700	-300	100
Wholesale Trade	5,900	6,050	5,850	-150	50
Retail Trade	20,900	21,050	20,850	-150	50
Gen. Merch. & Apparel	3,400	3,350	3,200	50	200
Food Stores	3,500	3,400	3,400	100	100
Eating & Drinking Places	7,750	7,850	7,850	-100	-100
Finance-Ins. & Real Estate	6,450	6,500	6,450	-50	0
Services & Misc.	30,700	30,900	29,600	-200	1,100
Hotels & Lodging Places	2,600	2,750	2,550	-150	50
Government	27,600	27,150	27,350	450	250
Federal	10,600	10,650	10,500	-50	100
State	8,100	7,450	8,050	650	50
Local	8,900	9,050	8,800	-150	100

Fairbanks North Star Borough

	Changes from:				
	p/ 9/91	r/ 8/91	9/90	8/91	9/90
Total Nonag. Wage & Salary	29,050	29,000	29,050	50	0
Goods-producing	2,600	2,800	2,750	-200	-150
Mining	200	250	250	-50	-50
Construction	1,750	1,850	1,850	-100	-100
Manufacturing	650	700	650	-50	0
Service-producing	26,450	26,200	26,300	250	150
Transportation	2,350	2,200	2,400	150	-50
Trucking & Warehousing	450	500	550	-50	-100
Air Transportation	500	500	450	0	50
Communications	300	300	300	0	0
Trade	6,500	6,550	6,450	-50	50
Wholesale Trade	800	800	750	0	50
Retail Trade	5,700	5,750	5,700	-50	0
Gen. Merch. & Apparel	600	600	600	0	0
Food Stores	800	800	850	0	-50
Eating & Drinking Places	2,450	2,500	2,350	-50	100
Finance-Ins. & Real Estate	800	850	800	-50	0
Services & Misc.	6,450	6,900	6,450	-450	0
Government	10,350	9,700	10,200	650	150
Federal	3,150	3,200	3,150	-50	0
State	4,350	3,950	4,300	400	50
Local	2,850	2,550	2,750	300	100

Anchorage-MatSu Region

	Changes from:				
	p/ 9/91	r/ 8/91	9/90	8/91	9/90
Total Nonag. Wage & Salary	125,150	125,750	123,450	-600	1,700
Goods-producing	14,300	15,100	14,300	-800	0
Mining	3,950	4,050	4,050	-100	-100
Construction	7,700	7,900	7,650	-200	50
Manufacturing	2,650	3,150	2,600	-500	50
Service-producing	110,850	110,650	109,150	200	1,700
Transportation	12,550	12,650	12,350	-100	200
Trade	28,850	29,000	28,850	-150	0
Finance-Ins. & Real Estate	6,850	6,900	6,900	-50	-50
Services & Misc.	32,350	32,550	31,150	-200	1,200
Government	30,250	29,550	29,900	700	350
Federal	10,800	10,850	10,650	-50	150
State	8,950	8,250	8,900	700	50
Local	10,500	10,450	10,350	50	150

Interior Region

	Changes from:				
	p/ 9/91	r/ 8/91	9/90	8/91	9/90
Total Nonag. Wage & Salary	33,550	33,700	33,400	-150	150
Goods-producing	3,000	3,200	3,100	-200	-100
Mining	400	450	450	-50	-50
Construction	1,900	2,000	1,950	-100	-50
Manufacturing	700	750	700	-50	0
Service-producing	30,550	30,500	30,300	50	250
Transportation	2,650	2,600	2,650	50	0
Trade	7,000	7,100	6,850	-100	150
Finance-Ins. & Real Estate	850	900	850	-50	0
Services	7,300	7,900	7,250	-600	50
Government	12,750	12,000	12,700	750	50
Federal	3,900	3,950	3,900	-50	0
State	4,600	4,300	4,650	300	-50
Local	4,250	3,750	4,150	500	100

Table • 2

Nonagricultural Wage and Salary Employment By Place of Work

Southeast Region

Gulf Coast Region

	Changes from:						Changes from:				
	p/ 9/91	r/ 8/91	9/90	8/91	9/90		p/ 9/91	r/ 8/91	9/90	8/91	9/90
Total Nonag. Wage & Salary	35,750	37,000	36,300	-1,250	-550	Total Nonag. Wage & Salary	24,250	28,150	24,650	-3,900	-400
Goods-producing	7,100	7,850	7,750	-750	-650	Goods-producing	6,500	9,750	6,850	-3,250	-350
Mining	350	350	350	0	0	Mining	1,250	1,300	1,300	-50	-50
Construction	1,350	1,300	1,700	50	50	Construction	1,050	1,050	1,250	0	-200
Manufacturing	5,400	6,200	6,100	-800	-700	Manufacturing	4,200	7,400	4,300	-3,200	-100
Durable Goods	2,300	2,300	3,050	0	-750	Seafood Processing	3,200	6,300	3,250	-3,100	-50
Lumber & Wood Products	2,150	2,200	3,000	-50	-850	Service-producing	17,750	18,400	17,800	-650	-50
Nondurable Goods	3,100	3,900	3,050	-800	50	Transportation	2,050	2,200	2,050	-150	0
Seafood Processing	2,000	2,750	1,950	-750	50	Trade	4,250	4,650	4,200	-400	50
Pulp Mills	900	900	900	0	0	Wholesale Trade	550	650	500	-100	50
Service-producing	28,650	29,150	28,550	-500	100	Retail Trade	3,700	4,000	3,700	-300	0
Transportation	3,000	3,100	3,000	-100	0	Finance-Ins. & Real Estate	600	700	600	-100	0
Trade	5,750	6,100	5,650	-350	100	Services & Misc.	4,750	5,100	4,800	-350	-50
Wholesale Trade	600	600	550	0	50	Government	6,100	5,750	6,150	350	-50
Retail Trade	5,150	5,500	5,100	-350	50	Federal	650	650	650	0	0
Finance-Ins. & Real Estate	1,100	1,100	1,050	0	50	State	1,950	1,800	2,050	150	-100
Services & Misc.	6,200	6,500	6,100	-300	100	Local	3,500	3,300	3,450	200	50
Government	12,600	12,350	12,750	250	-150						
Federal	2,400	2,350	2,400	50	0						
State	5,500	5,500	5,550	0	-50						
Local	4,700	4,500	4,800	200	-100						

Northern Region

Southwest Region

	Changes from:						Changes from:				
	p/ 9/91	r/ 8/91	9/90	8/91	9/90		p/ 9/91	r/ 8/91	9/90	8/91	9/90
Total Nonag. Wage & Salary	15,600	15,700	15,850	-100	-250	Total Nonag. Wage & Salary	15,500	16,100	15,300	-600	200
Goods-producing	6,550	6,900	6,850	-350	-300	Goods-producing	4,350	5,450	4,150	-1,100	200
Mining	6,000	6,400	6,250	-400	-250	Seafood Processing	4,000	5,100	3,750	-1,100	250
Service-producing	9,050	8,800	9,000	250	50	Service-producing	11,150	10,650	11,150	500	0
Government	4,550	4,250	4,450	300	100	Government	6,250	5,600	6,300	650	-50
Federal	300	300	300	0	0	Federal	1,350	1,350	1,350	0	0
State	400	400	350	0	50	State	500	500	550	0	-50
Local	3,850	3,550	3,800	300	50	Local	4,400	3,750	4,400	650	0

Notes: Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear above are definitionally different from those that appear in the Labor Force table.

Benchmark: March 1990

p/ denotes preliminary estimates
r/ denotes revised estimates

Source: Alaska Department of Labor,
Research & Analysis Section.

As already addressed in last month's Employment Scene article, many of the state's basic sectors are ailing. Oil industry employment is on the wane after three years of growth. The latest bad news is Unocal's plans to shut down one of their off shore platforms in Cook Inlet. The good news is they plan on absorbing these workers in their other operations. The shutdown may only be temporary if they can find a new oil formation. Some good news is that ARCO made a significant oil find in Cook Inlet. Other good news is that the North Slope oil producers announced they were going ahead with the GHX-2 gas handling facility in Prudhoe Bay. It will help boost oil production. During its installation phase in 1993, employment on the project could peak at 2,000.

Another basic industry, forest products, keeps losing ground. A good illustration of this is the effect this contracting industry is having on some communities. In September Haines's unemployment rate of 20.8% was the highest in the state, and three times as high as last year's unemployment rate. Most of the dramatic run-up in their unemployment rate can be attributed to the closure of the Chilkoot timber mill.

The bottomfishing industry in the state has helped buoy fish processing employment for a number of years. However, its seasons are becoming increasingly shorter like so many other Alaskan fisheries. One casualty of these shorter seasons is Kodiak, one of the state's most important bottomfishing ports. Unemployment in Kodiak shot up from 3% in August to 8.1% in September, and most of the increase can be attributed to an early bottomfish closure.

Even government's employment picture mixed

At this time last year all levels of government were growing. Today the picture is quite different. Federal government is managing to eke out some growth—but not much. Most of it appears to be coming from the military's exchange and family support services in Fairbanks and Anchorage. State government employment, one of the engines of the recovery, is now declining.

Local government's employment picture mirrors the state's. Because of soaring student populations in many communities, school districts have hired more staff. However, the state's municipalities, boroughs, cities and villages are downsizing as a result of tighter budgets. Both state and local governments were major players in the employment growth of the 1980's. It appears they will abstain from that role in the future.

Demand for services still positive

The largest private sector industry, services, has managed to keep growing. This is one of the main reasons why the overall direction of Alaska's employment picture is still positive. It is a broadly defined industry and nearly all of its different parts are growing. One of its most dynamic sectors is engineering and management services. This is somewhat astonishing because this sector is a major beneficiary of construction activity, which is on the wane. It is possible a lag is involved here

which could bode well for construction in the near future. It is also possible companies are using this type of service more. Hospitals, business and social services, along with most of the other categories of services are still adding workers. The services industry is to some extent population driven and by all accounts, Alaska's population is still growing. It is also an industry with some of its own momentum, growing as the nation's economy becomes more service-based.

Figure • 3

Regional Picture Split In September

Source: Alaska Department of Labor, Research and Analysis Section

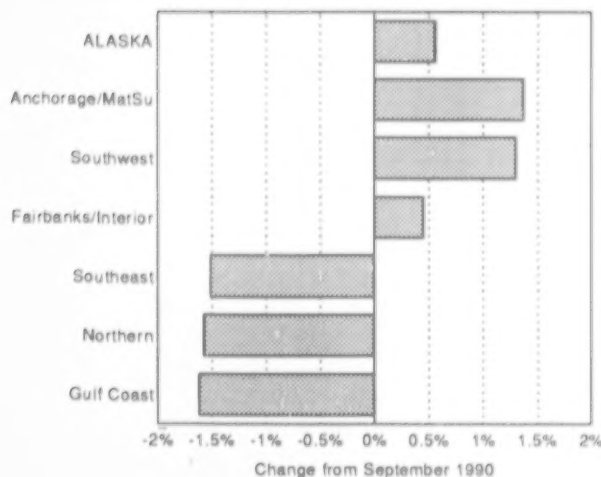


Table • 3

Alaska Hours and Earnings for Selected Industries

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	p/ 9/91	r/ 8/91	9/90	p/ 9/91	r/ 8/91	9/90	p/ 9/91	r/ 8/91	9/90
Mining	\$1,162.32	\$1,143.71	\$1,212.84	50.1	49.9	52.3	\$23.20	\$22.92	\$23.19
Construction	1,150.81	1,109.73	1,196.54	46.8	45.8	47.9	24.59	24.23	24.98
Manufacturing	545.31	594.59	547.26	43.8	54.5	42.0	12.45	10.91	13.03
Seafood Processing	442.60	541.50	380.79	46.2	59.9	41.3	9.58	9.04	9.22
Trans., Comm. & Utilities	622.92	646.89	590.25	35.8	35.1	35.6	17.40	18.43	16.58
Trade	371.18	355.16	376.81	33.5	33.1	34.1	11.08	10.73	11.05
Wholesale	625.56	594.00	568.66	40.7	39.6	39.6	15.37	15.00	14.36
Retail	318.40	305.59	335.91	32.0	31.7	32.9	9.95	9.64	10.21
Finance-Ins. & R.E.	415.48	406.26	414.29	35.3	34.4	35.5	11.77	11.81	11.67

Regional economies—a mixed picture

On the plus side of the state's economic ledger are the Anchorage-MatSu, Southwest and Interior regions (See Figure 3). None of their present performances are exceptional but they are all still growing. The Anchorage-MatSu region continues to lead the way. In both August and September a large slice of the 2,500 medical personnel and the new F-15E squadron and their dependents began to arrive in Anchorage. Also on the plus side was the Federal Express announcement that more than 200 pilots and 13 new aircraft would be based out of Anchorage. Already, three of the new aircraft and 75 of the pilots are in Anchorage.

There was also news on the down side for the Anchorage-MatSu region. International In-Flight Catering Co., an airline food caterer, announced they would close their doors in December, laying off 140 workers. Their closure illustrates the losses Anchorage continues to suffer with the decline of international passenger air service. On the domestic side of the airline industry there was also some bad news. Mark-Air, the state's largest domestic carrier, is cutting back on their work force. The downsizing of oil company employment also caused Anchorage oil industry numbers to show negative over-the-year growth for the first time in two years.

Southwest employment figures remain positive. Their fish processing figures are still growing; but at a much lower rate than in previous years. The Interior region employment scene remains basically unchanged. Construction and mining are down but the service sector is keeping overall numbers in the black.

Of the declining regions, Southeast Alaska leads the pack. Most of Southeast's economic woes can be ascribed to the timber industry. However, state and local government are also showing up as negatives—albeit small ones at the moment. The Gulf Coast has broader woes. Construction's drag on employment numbers is due to completion of the Bradley Lake hydroelectric project outside of Homer. Seafood and oil industry employment are also weak links. A decline in Kodiak's seafood processing industry is hitting the region hard. The Kenai Peninsula's oil sector is softening as it has elsewhere in the state. Northern region's slide is all related to the decline in oil activity on the North Slope.

Summary-jobs continue to get harder to find

Alaska's recent phase of strong employment growth appears to be coming to an end. As a result, the job market is increasingly competitive. The first signs of this became evident in 1990 when the number of out-of-state job seekers began to grow rapidly. The labor market was able to absorb many of the new job seekers because job growth was vigorous. The story changed in 1991. The number of out-of-state job seekers continued to grow but the number of new jobs grew too slowly to provide opportunities for many of the new entrants. As a result the unemployment picture worsened considerably.

On the industry side, the employment picture is truly mixed. In 1990 at this time of year, nearly all of the state's industries were growing. Now only half are. Timber, construction, oil, trade and state government moved over to the negative side of the economic ledger.

Notes:
p/ denotes preliminary estimates
r/ denotes revised estimates
Benchmark: March 1990

Averages are based on data for full- and part-time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

Source: Alaska Department of Labor, Research & Analysis Section.

The poorer performance of these basic sector industries is now being felt on the service-producing side. For example, trade employment levels began falling below year-ago levels this month, a first in more than three years. On the other hand, services employment is still managing to grow enough to offset the losses in many of the other industries. This mixed industry picture is affecting the state's regions in different ways. Southeast employment is declining because of timber's poor show-

ing but Anchorage/MatSu is still growing slightly because of a stronger service-producing sector.

What all this means is that for many people, finding employment (a difficult task even in prosperous times) will be difficult this winter and possibly next year. This labor market picture is not likely to change until a full national economic recovery is in motion or a strong turnaround in Alaska's economy takes place.

Table • 4

Labor Force By Region and Census Area

	Labor Force			Unemployment			Rate %			Employment		
	p/ 9/91	r/ 8/91	9/90	p/ 9/91	r/ 8/91	9/90	p/ 9/91	r/ 8/91	9/90	p/ 9/91	r/ 8/91	9/90
Alaska Statewide	260,509	268,436	260,178	19,643	17,898	16,407	7.5	6.7	6.3	240,866	250,538	243,771
Anch.-MatSu Region	136,317	137,539	134,488	9,673	8,685	7,774	7.1	6.3	5.8	126,644	128,854	126,714
Munic. of Anchorage	119,733	121,551	118,277	7,734	6,836	6,106	6.5	5.6	5.2	111,999	114,715	112,171
MatSu Borough	16,584	15,988	16,211	1,939	1,849	1,668	11.7	11.6	10.3	14,645	14,139	14,543
Gulf Coast Region	29,446	33,737	30,213	2,827	2,379	2,569	9.6	7.1	8.5	26,519	31,358	27,644
Kenai Peninsula Borough	18,320	21,042	18,878	2,010	1,828	1,940	11.0	8.7	10.3	16,310	19,214	16,938
Kodiak Island Borough	6,764	7,548	6,735	549	227	281	8.1	3.0	4.2	6,215	7,321	6,454
Valdez-Cordova	4,362	5,147	4,600	268	324	348	6.1	6.3	7.6	4,094	4,823	4,252
Interior Region	36,651	37,218	36,540	3,261	3,201	2,794	8.9	8.6	7.6	33,390	34,017	33,746
Fairbanks North Star Bor.	31,692	32,217	31,619	2,740	2,722	2,359	8.6	8.4	7.5	28,952	29,495	29,260
Southeast Fairbanks	2,041	2,064	2,050	191	179	180	9.4	8.7	8.8	1,850	1,885	1,870
Yukon-Koyukuk	2,918	2,937	2,871	330	300	255	11.3	10.2	8.9	2,588	2,637	2,616
Northern Region	8,554	8,491	8,528	812	727	601	9.5	8.6	7.0	7,742	7,764	7,927
Nome	3,140	3,147	3,148	308	307	248	9.8	9.8	7.9	2,832	2,840	2,900
North Slope Borough	3,077	3,056	3,086	149	119	88	4.8	3.9	2.9	2,928	2,937	2,998
Northwest Arctic Borough	2,337	2,288	2,294	355	301	265	15.2	13.2	11.6	1,982	1,987	2,029
Southeast Region	36,820	38,343	37,565	2,447	2,245	1,974	6.6	5.9	5.3	34,373	36,098	35,591
Haines Borough	1,032	1,040	909	215	182	63	20.8	17.5	6.9	817	858	846
Juneau Borough	16,511	17,194	16,896	967	868	801	5.9	5.0	4.7	15,544	16,326	16,095
Ketchikan Gateway Bor.	6,812	7,101	7,010	442	412	414	6.5	5.8	5.9	6,370	6,689	6,596
Pr. of Wales-Outer Ketch.	2,897	2,978	2,823	362	316	198	12.5	10.6	7.0	2,535	2,662	2,625
Sitka Borough	4,262	4,430	4,346	213	178	154	5.0	4.0	3.5	4,049	4,252	4,192
Skagway-Yakutat-Angoon	1,669	1,783	1,805	86	121	166	5.2	6.8	9.2	1,583	1,662	1,639
Wrangell-Petersburg	3,637	3,817	3,776	162	168	178	4.5	4.4	4.7	3,475	3,649	3,598
Southwest Region	12,721	13,108	12,844	623	661	695	4.9	5.0	5.4	12,098	12,447	12,149
Aleutians East Borough	893	917	899	7	6	10	0.8	0.7	1.1	886	911	889
Aleutians West	2,508	2,579	2,524	27	26	32	1.1	1.0	1.3	2,481	2,553	2,492
Bethel	4,928	5,061	4,948	342	343	343	6.9	6.8	6.9	4,586	4,718	4,605
Bristol Bay Borough	492	504	498	24	23	28	4.9	4.6	5.6	468	481	470
Dillingham	2,250	2,316	2,284	59	62	84	2.6	2.7	3.7	2,191	2,254	2,200
Wade Hampton	1,650	1,731	1,691	164	201	198	9.9	11.6	11.7	1,486	1,530	1,493

Notes: p/ denotes preliminary estimates

r/ denotes revised estimates

Benchmark: March 1990

- Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey in formulas used to allocate federal funds.
 - Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor.
 - The official definition of unemployment currently in place excludes anyone who has made no attempt to find work in the four-week period up to and including the week that includes the 12th of each month. Most Alaska economists believe that Alaska's rural localities have proportionately more of these discouraged workers.
 - The employment numbers that appear above are definitionally different from those that appear in the Nonagricultural Wage & Salary Employment tables.
- Source: Alaska Department of Labor, Research & Analysis Section.



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TRENDS

January 1992



LAYOFFS IN
ALASKA: 1990

JOB GROWTH
SPEEDS UP IN OCTOBER

**ALASKA'S WORKER INJURY & ILLNESS
RATE IMPROVING**

ALASKA DEPARTMENT OF LABOR
WALTER J. HICKEL, GOVERNOR

ALASKA ECONOMIC
TRENDS

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**UNEMPLOYMENT
INSURANCE**
maintaining the foundation of economic security

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Mass Layoffs in Alaska Rise in 1990

by Judy Hallanger

In recent years attention has focused on the dislocated or displaced worker. These interchangeable terms refer to a person who has gained substantial experience and skills in a certain job but has lost that job because of a plant closing, slack work, or elimination of their position or shift. To collect statistics relating to permanent layoffs, the Bureau of Labor Statistics (BLS) developed the Mass Layoff Statistics (MLS) program.

Layoffs up from 1989

Although Alaska's economy was in pretty good shape in 1990, the number of mass layoff events jumped to 72, up from the 54 events of 1989. (See inset this page.) There were more events during the first two quarters of 1990 compared to 1989, and about the same number of events during the last two quarters. (See Figure 1.) The last two quarters of 1989 were heavily impacted by layoffs of cleanup workers from the *Exxon Valdez* oil spill, so it is surprising to see no decline in the number of layoff events in the last two quarters of 1990.

In more human terms, the total number of people laid off dropped by about 4,000 in 1990. However, those filing initial claims for unemployment insurance (UI) after a mass layoff increased by over 2,000. Part of this apparent discrepancy is due to the lag time in filing claims after a layoff event. It often happens when layoffs occur in the fourth quarter of one year and the claims are not filed until the first quarter of the next year. This was especially pronounced in the first quarter of 1990. (See Figure 2.) Another factor could be that jobs were getting harder to find in 1990 and more people needed to file for UI rather than going straight to another job with no break in employment.

The percentage of people filing unemployment claims after a mass layoff event in 1990 was 96%, the highest in three years. The comparable figure in 1989 was 45% and in 1988, 70%. Nationally, 81% of people laid off in a MLS event filed initial claims in 1990, up from 77% in 1989. Why don't all people file for UI after a mass layoff? Some people find another job right away, others return to school after a summer job, and some are ineligible for UI benefits because of insufficient earnings.

The average number of people laid off per event in 1988 was 86. In 1989 this number rose to 225, mainly as a result of the large oil spill cleanup layoffs. The 1990 figure dropped to 114 people per layoff event in Alaska. Nationally, the 1990 figure was 191 people laid off per

event; this has been relatively stable over the last three years. Normally, the comparable national figures would be expected to be higher than Alaska figures because only layoffs of 50 or more people are included in the national data.

In 1988 and 1989 only 16 of the Alaskan layoff events were in the 50+ category; this rose to 19 events in 1990. The rest involved between 20 and 49 people per event. This isn't surprising since 95% of Alaska's firms employ fewer than 50 people and around 90% employ fewer than 20 people.

Most MLS layoffs in manufacturing

All of the major industries except finance experienced MLS layoffs in 1990. (See Table 1). The layoffs occurred predominantly in manufacturing with 30 out of

Judy Hallanger is a labor economist with the Research & Analysis Section, Administrative Services Division, Alaska Department of Labor. She is based in Anchorage.

How MLS Data are Gathered and Used

In brief, the program works this way. Employers with 20 or more unemployment insurance (UI) claims filed against them in any continuous three-week period are marked for contact. If the employer says that 20 or more people were laid off for more than 30 days, a **layoff event** has occurred. When this is the case, employers are asked to provide additional details including how many people were affected, the layoff location and date, and the reason for the layoff.

The information obtained from employer contacts is then linked to UI claims data, and worker profiles are developed incorporating claimant characteristics. The data are also sent to the federal Bureau of Labor Statistics for inclusion into national statistics.

Currently, MLS data are used in a formula to distribute certain Job Training Partnership Act (JTPA) funds. In the future, more programs may depend on MLS data for federal funding as well as for indications of change in the layoff situation both at the state level and nationwide.

Table • 1

MLS Layoffs by Industry, 1990

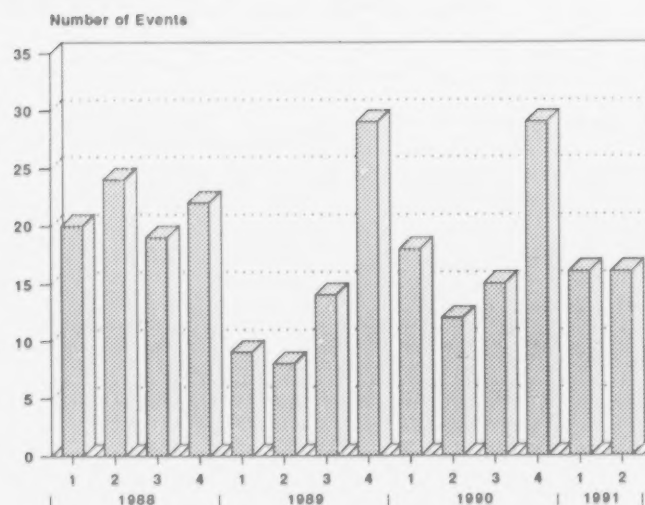
	Number of Layoff Events	Percent of Total	People Laid Off	Percent of Total	Initial UI Claims	Percent of Total
Manufacturing	30	41.7	3,566	43.5	2,568	32.8
Mining	13	18.1	1,897	23.2	2,596	33.2
Construction	13	18.1	890	10.9	1,004	12.8
Transportation	10	13.9	762	9.3	1,266	16.2
Services	3	4.2	229	2.8	242	3.1
Trade	2	2.8	134	1.6	77	1.0
Government	1	1.4	711	8.7	68	0.9
Total	72	100	8,189	100	7,821	100

Source: Alaska Department of Labor, Research and Analysis Section.

Figure • 1

Mass Layoff Events in Alaska 1988-1991

Source: Alaska Department of
Labor, Research and Analysis
Section.



72 events. This is similar to the national picture which shows around half of all layoff events are in manufacturing. Rounding out the Alaska top four were mining, construction, and transportation. Together, these four industries comprised a small share of Alaska's 1990 employment but accounted for the majority of the MLS layoff events. (See Figure 3.)—

Within the manufacturing industry, there was a fairly even split between the seafood processors and the forest products industry as far as MLS layoffs were concerned. Most layoffs were seasonal; but a few were attributed to slack work, foul weather, or bankruptcy.

The oil and gas field services sector overwhelmingly dominated the mining industry layoffs. Over 90% of the people laid off and resultant UI claims in mining were due to projects ending or seasonal closures in oil and gas field services. About 90% of mining employment in Alaska in 1990 was concentrated in oil and gas, with about half of that in the oil and gas field services sector.

The remaining three industries (services, trade, and government) did not show as much MLS activity. This is to be expected since they are either com-

posed of mainly small firms (services and trade) or traditionally offer less seasonal employment (government) than the industries previously discussed. The single government layoff was a result of short-term employees ending their work on the decennial census. Many of these positions were held as second jobs. This could explain the extremely low number of UI claims filed relative to the number of layoffs reported. Also, some census jobs may not have lasted long enough for the workers to earn enough money to be eligible for UI.

"Seasonal" Leads List of Reasons for Layoffs

The foremost cause of MLS layoffs in Alaska in 1990 was seasonal factors. This was cited more than twice as often as any other reason. (See Table 2.) Since so many economies and industries in Alaska are seasonal, this confirms what has long been suspected. Every industry except government and trade experienced seasonal layoffs.

The next most important reason for layoffs was completion of a contract. MLS employers occasionally also cited slack work, weather-related curtailment, contract cancellation, and bankruptcy. Many other causes for mass

Table • 2

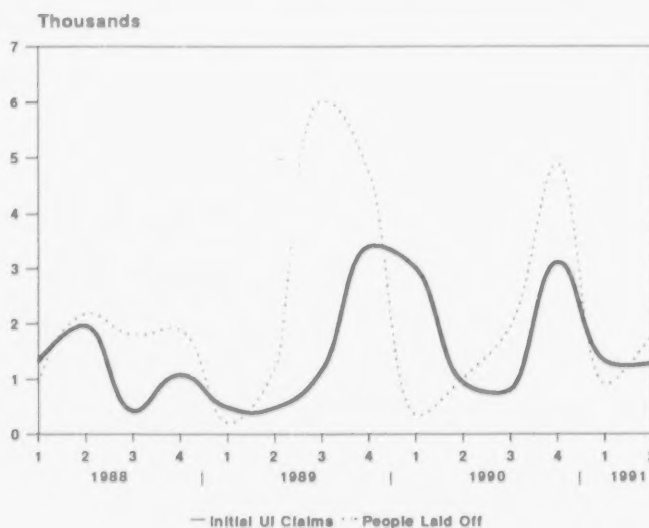
Reasons for MLS Layoffs, 1990

	Number of Layoff Events	Percent of Total	People Laid Off	Percent of Total	Initial UI Claims	Percent of Total
Seasonal	41	56.9	4,582	56.0	3,518	45.0
Contract Completed	18	25.0	2,271	27.7	3,201	40.9
Slack Work	4	5.6	245	3.0	302	3.9
Contract Cancelled	3	4.2	126	1.5	270	3.5
Bankruptcy	1	1.4	150	1.8	64	0.8
Vacation Period	1	1.4	20	0.2	211	2.7
Weather-Related	1	1.4	0	0.0	121	1.5
Other	3	4.2	795	9.7	134	1.7
Total	72	100	8,189	100	7,821	100.0

Source: Alaska Department of Labor, Research and Analysis Section.

Figure • 2

Number of People Involved in Mass Layoffs in Alaska 1988-1991



Source: Alaska Department of Labor, Research and Analysis Section.

Table • 3

Location of MLS Initial Claimants Compared to All UI Claimants in 1990

	MLS Initial Claimants	Percent of Total	All UI Claimants	Percent of Total
Aleutian Islands Census Area	1	0.0	28	0.1
Anchorage Borough	1,580	20.2	12,988	26.0
Bethel Census Area	18	0.2	577	1.2
Bristol Bay Borough	6	0.1	48	0.1
Dillingham Census Area	16	0.2	237	0.5
Fairbanks North Star Borough	1,104	14.1	5,836	11.7
Haines Borough	20	0.3	201	0.4
Juneau Borough	151	1.9	1,808	3.6
Kenai Peninsula Borough	1,150	14.7	4,630	9.3
Ketchikan Gateway Borough	440	5.6	1,444	2.9
Kodiak Island Borough	352	4.5	1,150	2.3
Matanuska-Susitna Borough	621	7.9	4,096	8.2
Nome Census Area	68	0.9	545	1.1
North Slope Borough	5	0.1	251	0.5
Northwest Arctic Borough	45	0.6	572	1.1
Prince of Wales-Outer Ketchikan C.A.	84	1.1	717	1.4
Sitka Borough	134	1.7	649	1.3
Skagway-Yakutat-Angoon Census Area	224	2.9	544	1.1
Southeast Fairbanks Census Area	76	1.0	532	1.1
Valdez-Cordova Census Area	294	3.8	1,185	2.4
Wade Hampton Census Area	27	0.3	320	0.6
Wrangell-Petersburg Census Area	296	3.8	757	1.5
Yukon-Koyukuk Census Area	81	1.0	836	1.7
Alaska-Unknown Census Area	46	0.6	0	0.0
Alaska Total	6,839	87.4	39,951	79.9
Out of State	982	12.6	10,033	20.1
Total	7,821	100.0	49,984	100.0

Source: Alaska Department of
Labor, Research and Analysis
Section.

layoffs or business closings include: business ownership change, labor dispute, import competition, and automation, to name a few. Some of these are more important nationwide but may affect Alaska in the future as our economy diversifies.

Nationally, slack work was the chief cause for MLS layoff events (31%) in 1990, but seasonal closings were a close second at 29%.

Comparing MLS with Other UI Claimants

How do the initial claimants from MLS layoffs compare to other UI claimants? At first glance they seem to live in most of the same places. (See Table 3.) The percentage of MLS claimants, however, is less in the urban communities of Anchorage and Juneau. This makes sense because manufacturing generates relatively little of the total employment in those cities (less than 2% in 1990).

On the other hand, some of the major fishing and logging areas such as the Kenai Peninsula, Kodiak, Ketchikan, Valdez/Cordova and Wrangell/Petersburg have a disproportionately larger share of MLS claims. This reflects the high number of seafood processing, logging and mill layoffs in those areas. For Fairbanks residents, layoffs in almost every industry (especially construction) caused MLS claims to be relatively high.

A smaller percentage of Alaska Natives were MLS initial claimants than in the

general UI claimant population. (See Figure 4.) There were also slightly more people over age 55 in the MLS group. The smaller proportion of women in the MLS initial claimants is probably a reflection of the smaller proportion of women working in the manufacturing, mining, construction, and transportation industries.

Summary

Since the early 1980s, there has been growing concern over dislocated workers. Several programs were established to help these workers and to gather statistics about the problem. In Alaska, the MLS program began in late 1987 to record information about layoffs and the people they affect.

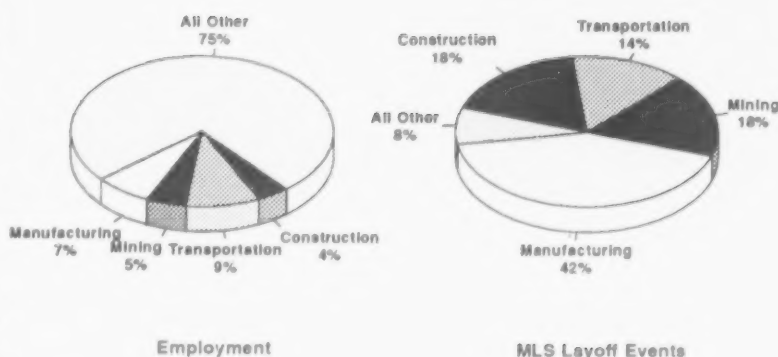
The number of MLS layoff events rose from 54 in 1989 to 72 in 1990. Although the average size of a layoff dropped and fewer people were laid off, more of them filed initial claims for unemployment. Over 96% of the people who were laid off filed for unemployment insurance.

Over half the Alaska MLS events occurred in the manufacturing industry. This corresponds closely with national data. In Alaska, however, seasonal factors are the primary reason for MLS layoffs while nationally, slack work causes the most MLS events, with seasonal factors a close second.

Preliminary 1991 MLS data indicate more layoff events occurred in that year than in 1990. If Alaska continues to eke out employment growth at a minimal rate or if employment declines, the number of layoffs in 1991 could increase substantially over 1990 levels.

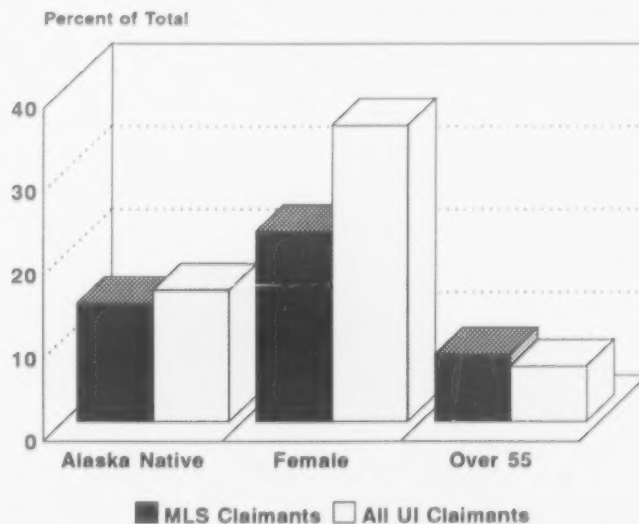
Industry Composition in 1990 Alaska Employment and MLS Layoff Events

Source: Alaska Department of Labor, Research and Analysis Section.



Selected Characteristics of MLS Claimants

Source: Alaska Department of Labor, Research and Analysis Section.



Alaska's Worker Injury and Illness Rates Improving

by James Wilson

Jim Wilson is a labor economist with the Research & Analysis Section, Administrative Services Division, Alaska Department of Labor. He is based in Juneau.

Alaska has one of the highest worker injury rates in the nation. The ratio of higher risk jobs in our work force make this a fact. The percentage of Alaskan workers in seafood processing, wood products, mining, and transportation is much greater than the national average. Although Alaska is among the states with high injury rates, there is some good news to be seen in the latest figures on Alaska's work injury and illness rates.

Rates down in the goods producing industries

Alaska's mining industry is dominated by oil and gas extraction, which is composed of two parts: petroleum and gas production, and oil and gas field services. The "big oil" companies are the producers. Their subcontractors provide the field services such as drilling, exploration, and construction.

The production companies have an OSHA case rate consistently lower than most trade industries. The 1990 OSHA case rate for oil and gas production was 4.5 cases per 100 workers, less than half the all private industry average of 11.1. The time loss case rate for the producers, at 1.1 in 1990, is among the lowest of any industry. During the last ten years the field service companies have cut their OSHA case rate nearly in half, from 24.9 in 1981 to 13.9 in 1990. During this same period their time loss case rate has been cut by over half, from 11.7 to 5.4, and is now at a record low.

Construction's record low rates for all OSHA cases and time loss cases were set in 1988 during a period of declining employment. In 1989 both employment and the injury/illness rates rose. During 1990 construction employment grew 7%; but the OSHA case rate fell to its second lowest level of record, 14.7 cases per 100 workers. Although the time loss rates for 1989 and 1990 are above the 1988 low, it is encouraging that the average for the last three years, at 6.5, is below all years prior to 1988. Of all time loss cases in 1990, 9% were from

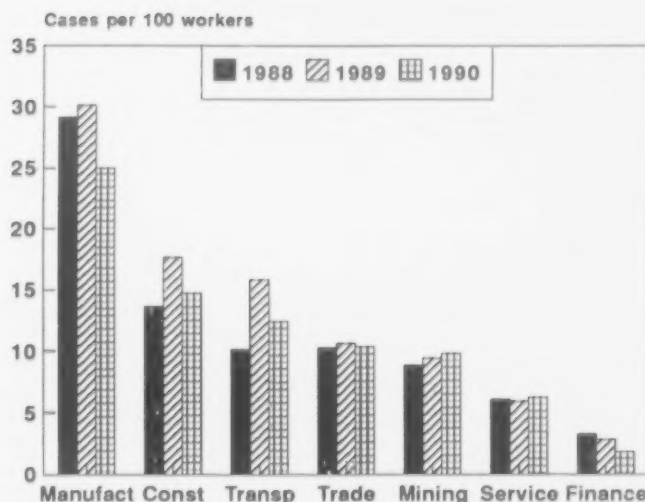
construction employees who account for 5% of all nonfederal workers.

Alaska's logging and seafood processing industries traditionally lead all others in the rate of OSHA recordable injuries and illnesses. The OSHA case rate in logging has shown continued improvement for the last four years. The 1990 rate of 40.1 cases per 100 workers is a marked change from the rate of 56.6 recorded in 1986. The time loss case rate for logging, at 21.9 per 100 workers in 1990, is the lowest in six years. The OSHA case rate in seafood processing has been fluctuating the last few years. The preliminary 1990 rate of 26.7 cases per 100 workers is the lowest recorded since 1984. Of more importance,

Figure • 1

OSHA Industry Case Rates Alaska 1988-1990

Source: Alaska Department of Labor, Research and Analysis Section, Occupational Safety and Health Statistics.



the time loss case rate, 13.3, is the lowest in five years.

Fatality rate highest in nation

According to the National Institute of Occupational Safety and Health (NIOSH), Alaska has the highest worker fatality rate in the nation. Based on figures for the seven year period 1980 to 1986, Alaska has had a worker fatality rate of 34.2 cases per 100,000 workers. This is four times higher than the U.S. rate of 7.9.

More than 100 fatalities have been reported to the Alaska Division of Workers' Compensation during the last three years. Forty cases were reported for 1990. The leading cause of fatal injury for Alaskan workers is aircraft accidents. There were 9 such cases in both 1989 and 1990. The next leading cause of worker death in 1990 is falls, followed by motor vehicle accidents. For the first 10 months of 1991, there have been 34 reported fatalities.

The data collected by the Division of Workers' Compensation does not include commercial fishing. A 1988 study by the University of Alaska's Institute of Social and Economic Research, for the period 1981 to 1984, concluded that the death rate among commercial fisherman in Alaska was 20 times higher than the average for all other industries. Beginning in 1992, The Alaska Department of Labor

Table • 1

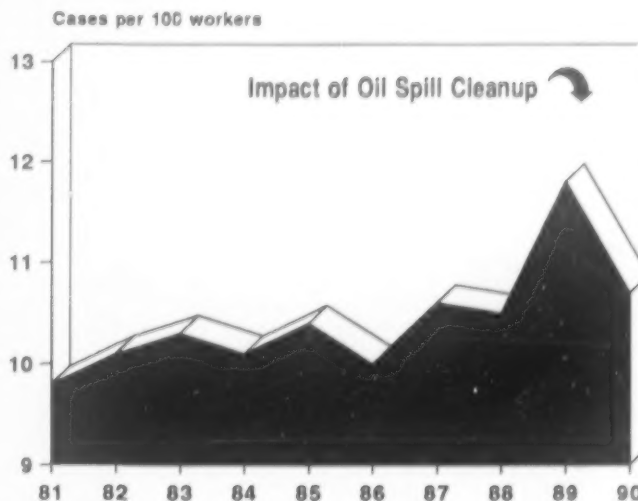
Case Rates per 100 Workers Private Sector, Alaska 1981-1990

	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
TOTAL	10.0	10.3	10.6	10.3	10.7	10.2	10.9	10.8	12.3	11.1
Injury	9.8	10.1	10.3	10.1	10.4	10.0	10.6	10.5	11.8	10.7
Illness	0.2	0.2	0.3	0.2	0.3	0.3	0.4	0.3	0.5	0.3

Source: Alaska Department of Labor, Research and Analysis Section, Occupational Safety and Health Statistics.

Figure • 2

OSHA Injury Case Rate Alaska Private Sector 1981-1990



Source: Alaska Department of Labor, Research and Analysis Section, Occupational Safety and Health Statistics.

will begin a new program to obtain a more comprehensive count of work related fatalities using multiple data sources.

Private sector rate

Alaska's 1990 rate for all OSHA injuries and illnesses is up slightly from prior years. The 1990 private sector rate of 11.1 represents a modest increase from the rates of 10.9 and 10.8 recorded in 1987 and 1988, respectively. The 1989 rate of 12.3 is unusual because it includes the impact of the Prince William Sound oil spill cleanup project. The 1990 private sector rate for time loss cases is also slightly above the 1987-88 levels. The 1990 time loss case rate for the private industry is 5.2 cases per 100 workers.

Time loss cases

In 1990, time loss cases accounted for 47% of OSHA injuries and illnesses. The Alaska Division of Workers' Compensation received 12,103 time loss case claims for 1990. Only 15% of these claims were from workers employed in state or local government. The largest

share of the time loss cases were from manufacturing, 24%. Workers in trade and service industries submitted 18% and 14% respectively of the total claims.

In Alaska's private sector an average of 15 days of work is lost for each time loss case. For the past three years the average number of lost days has been lower than any time since 1976. Alaska's rates for injury and illness cases are always higher than the U.S. average. Interestingly, Alaska's average number of days lost is usually lower than the U.S. average. This seems to suggest that Alaska's time loss injuries are more frequent in occurrence but slightly less severe.

Women workers accounted for 23% of the private sector time loss cases in 1990. Although women make up nearly half of the total work force, the majority of women are employed in less hazardous occupations.

Rates creeping up in lower hazard industries

The industries which usually get the attention in articles such as this are the higher risk ones, such as manufacturing

and construction. The private sector OSHA case rate is the sum of all industries. The lower rate industries do impact the private sector total because of their employment size. A look at the last few years' data shows that the injury and illness case rates in some lower risk industries have risen somewhat. In retail trade the total OSHA case rate has been above 10.0 for the last three years, whereas it was below that level for the prior seven years. Similarly, the rates in Services industries (6.2 in 1990) have been slightly higher in the last few years than in the early 1980s. Subtle changes in large lower rate industries are not a cause for alarm, but it is important to realize that they do impact the private sector total, which everyone watches closely.

Figure • 3

Time Loss Cases Alaska 1990 by Sex and Industry

Note: * Government here includes only state and local government.

Source: Alaska Department of Labor, Research and Analysis Section, Occupational Safety and Health Statistics.

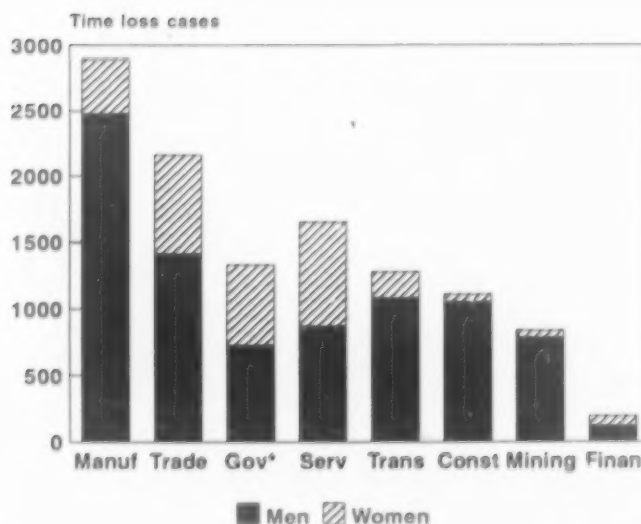


Table • 6

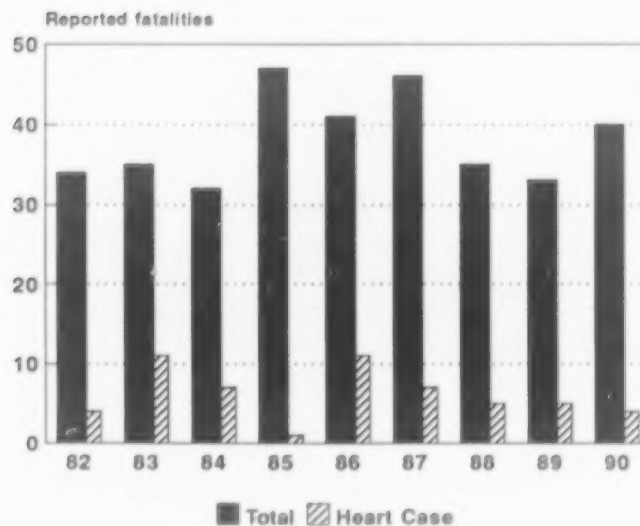
Changes in Estimated OSHA Injuries and Employment Alaska 1989 and 1990

	Injuries			Estimated Hours Worked (Millions)			Employment		
	1989	1990	% Change	1989	1990	% Change	1989	1990	% Change
Private Sector	15,681	15,922	1.5	265.7	287.5	8.2	156,467	165,035	5.5
Mining	1,061	1,329	25.3	23.2	27.2	17.2	10,247	11,475	12.0
Construction	1,443	1,480	2.6	16.6	20.1	21.1	9,798	10,503	7.2
Manufacturing	4,375	4,537	3.7	31.6	36.3	14.9	15,667	17,182	9.7
Transportation	2,855	2,167	-24.1	38.2	34.9	-8.6	21,169	20,622	-2.6
Trade	3,605	3,719	3.2	68.6	72.4	5.5	44,197	45,956	4.0
Finance	221	158	-28.5	15.9	17.3	8.8	9,244	9,165	-0.9
Services	1,974	2,399	21.5	69.8	77.5	11.0	45,899	49,819	8.5
State/Local Gov	2,982	2,939	-1.4	74.4	78.5	5.5	48,842	51,000	4.4

Source: Alaska Department of Labor, Research and Analysis Section, Occupational Safety and Health Statistics.

Figure • 4

Reported Fatalities 1982-1990 Alaska Workers' Compensation Division



Source: Alaska Department of Labor, Research and Analysis Section, Occupational Safety and Health Statistics.

Job Growth Picks Up Speed In October

by Holly Stinson

Holly Stinson is a labor economist with the Research & Analysis Section, Administrative Services Division, Alaska Department of Labor. She is based in Anchorage.

After two months of lackluster performance, Alaska's economy showed renewed promise of growth in October. Statewide there were 3,600 more jobs than October 1990. (See Table 1.) This follows over the year gains of fewer than 2,000 jobs for each of the past four months. Additional employment with new retail stores in Fairbanks, however, accounted for several hundred of the new jobs.

Over shadowing this growth was an unemployment rate of 9%, the highest in four years for October. Historically, a 9% unemployment rate in October is not much above Alaska's average of 8.6%. (See Figure 2.) This year's over the month increase of 1.5%, however, is higher than the past several years. While Alaska's economy is still

creating jobs, there are not enough jobs to absorb the many new entrants to the labor market.

The jobs created were all in the services-producing industries. Strongest growth occurred in transportation, retail trade and services. Those industries on the goods producing side mining, construction and manufacturing all had employment losses when compared to October 1990, continuing a trend that is now several months old.

Fairbanks has hundreds of new retail jobs

Two new stores, Fred Meyer and Sears Roebuck, opened in Fairbanks in October, creating hundreds of new retail jobs. (See Figure 1.) More than half of the job growth in Fairbanks' economy was attributable to this single reason. (See Table 2.) New retail jobs in Fairbanks also accounted for the state posting the highest retail trade gains yet in 1991, following two months of no or negative growth. As the holiday season approaches, retail trade should post continued employment gains. Even with a slowdown in Alaska's economy, retailers are anticipating a better holiday season than many counterparts in the Lower 48.

Another sector showing strong growth in October was the transportation industry. As a whole, the industry had healthier growth rates than any time since last January. Transportation jobs declined from September, a usual seasonal occurrence. Compared to last October, though, there were 1,000 more jobs this year.

Much of this growth is in the Anchorage/MatSu Re-

Table 1

Nonagricultural Wage and Salary Employment by Place of Work — Alaska

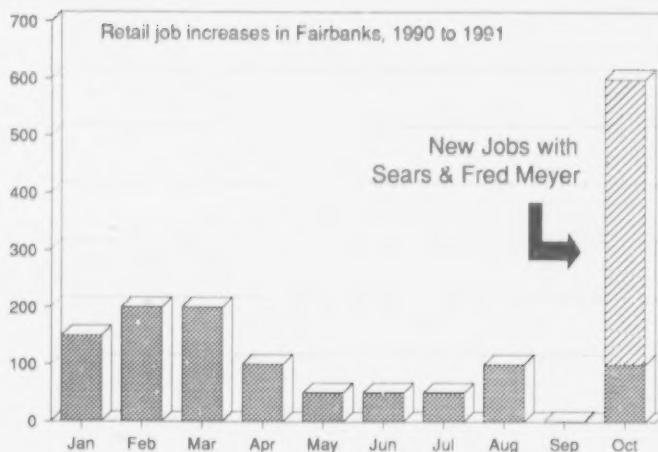
	p/ 10/91	r/ 9/91	Changes from:		
			10/90	9/91	10/90
<i>Notes: Prepared in cooperation with the U.S. Bureau of Labor Statistics.</i>					
<i>Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.</i>					
<i>The employment numbers that appear here are definitionally different from those that appear in the Labor Force table.</i>					
<i>Benchmark: March 1990</i>					
<i>p/ denotes preliminary estimates</i>					
<i>r/ denotes revised estimates</i>					
<i>Source: Alaska Department of Labor, Research & Analysis Section.</i>					
Total Nonag. Wage & Salary	241,300	250,500	238,300	-8,600	3,600
Goods-producing	36,900	42,200	38,500	-5,300	-1,600
Mining	11,300	12,200	11,900	-900	-600
Construction	12,000	12,900	12,100	-900	-100
Manufacturing	13,600	17,100	14,500	-3,500	-900
Durable Goods	3,300	3,800	4,200	-500	-900
Lumber & Wood Products	2,300	2,800	3,300	-500	-1,000
Nondurable Goods	10,300	13,300	10,300	-3,000	0
Seafood Processing	6,400	9,400	6,500	-3,000	-100
Pulp Mills	900	900	900	0	0
Service-producing	205,000	208,300	199,800	-3,300	5,200
Transportation	21,700	22,900	20,700	-1,200	1,000
Trucking & Warehousing	2,700	2,700	2,600	0	100
Water Transportation	1,500	1,500	1,400	0	100
Air Transportation	6,700	7,100	6,500	-400	200
Communications	3,500	3,600	3,400	-100	100
Trade	47,500	47,900	46,600	-400	900
Wholesale Trade	8,200	8,400	8,400	-200	-200
Retail Trade	39,300	39,500	38,200	-200	1,100
Gen. Merch. & Apparel	6,600	6,600	5,900	0	700
Food Stores	6,800	6,800	6,700	0	100
Eating & Drinking Places	13,400	13,800	13,200	-400	200
Finance-Ins. & Real Estate	10,300	10,300	10,300	0	0
Services & Misc.	52,300	54,700	50,400	-2,400	1,900
Hotels & Lodging Places	5,300	6,500	5,200	-1,200	100
Government	73,200	72,500	71,800	700	1,400
Federal	18,800	19,400	18,300	-600	500
State	21,700	21,900	21,700	-200	0
Local	32,700	31,200	31,800	1,500	900

gion. The Anchorage airport saw the last Japan Airlines passenger flight leave in October. Anchorage is still posting over the year gains in air transportation. Contributing to growth are two cargo carriers new to Anchorage Malaysian and Singapore airlines. To date, new activity appears to be making up for the loss of international passenger flights in Anchorage at least in terms of jobs.

Other regions of the state are showing strong growth in transportation employment. After recently laying off 100 people, MarkAir is now planning an expansion that will add the same number back into their work force. MarkAir is adding new destinations to their schedule: Seattle now and possibly Southeast Alaska communities in January. A subsidiary, MarkAir Express, is adding rural Alaskan communities to their in state schedule. Another local airline, Ketchikan based Temsco, shut down operations (the helicopter portion of their business remained open). Other local transportation services expanded operations, though, and hired some of the former Temsco employees.

Another contributor to the positive side of October's ledger was government employment. Federal and local governments had stronger over the year job gains in October than any month this year. The absence of several hundred federal census workers this year was a major factor in this category's negative employment growth for

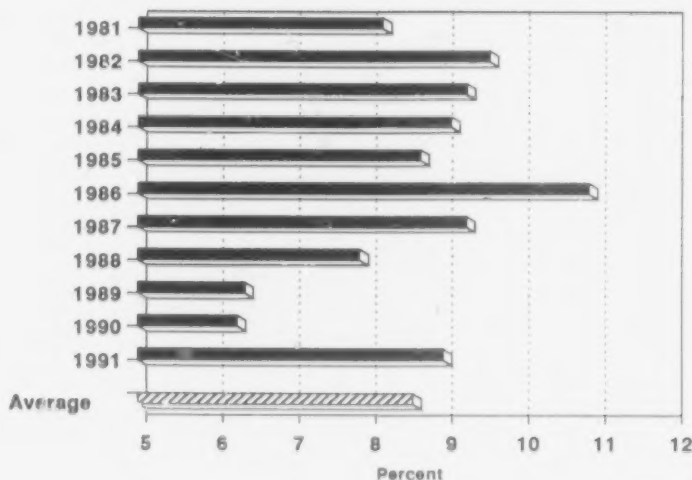
Retail Jobs Skyrocket in Fairbanks



Source: Alaska Department of Labor, Research and Analysis Section.

Figure • 2

October's Unemployment Averages 8.6%



Source: Alaska Department of Labor, Research and Analysis Section.

Table • 2

Nonagricultural Wage and Salary Employment By Place of Work

Municipality of Anchorage

	Changes from:				
	p/ 10/91	r/ 9/91	10/90	9/91	10/90
Total Nonag. Wage & Salary	115,300	116,950	112,800	-1,650	2,500
Goods-producing	12,650	13,800	12,700	-1,150	-50
Mining	3,600	3,850	3,900	-250	-300
Construction	6,850	7,400	6,600	-550	250
Manufacturing	2,200	2,550	2,200	-350	0
Service-producing	102,650	103,150	100,100	-500	2,550
Transportation	11,400	11,800	11,000	-400	400
Trucking & Warehousing	1,650	1,700	1,550	-50	100
Water Transportation	300	300	350	0	-50
Air Transportation	4,050	4,200	4,000	-150	50
Communications	2,150	2,200	1,950	-50	200
Trade	26,700	26,850	26,600	-150	100
Wholesale Trade	5,900	6,000	5,950	-100	-50
Retail Trade	20,800	20,850	20,650	-50	150
Gen. Merch. & Apparel	3,300	3,400	3,200	-100	100
Food Stores	3,500	3,450	3,300	50	200
Eating & Drinking Places	7,650	7,700	7,800	-50	-150
Finance-Ins. & Real Estate	6,550	6,450	6,450	100	100
Services & Misc.	30,250	30,600	28,650	-350	1,600
Hotels & Lodging Places	2,500	2,600	2,350	-100	150
Government	27,750	27,450	27,400	300	350
Federal	10,500	10,600	10,250	-100	250
State	8,150	7,950	8,150	200	0
Local	9,100	8,900	9,000	200	100

Fairbanks North Star Borough

	Changes from:				
	p/ 10/91	r/ 9/91	10/90	9/91	10/90
Total Nonag. Wage & Salary	28,750	29,100	27,650	-350	1,100
Goods-producing	2,550	2,650	2,550	-100	0
Mining	200	250	200	-50	0
Construction	1,700	1,750	1,750	-50	-50
Manufacturing	650	650	600	0	50
Service-producing	26,200	26,450	25,100	-250	1,100
Transportation	2,150	2,350	2,100	-200	50
Trucking & Warehousing	450	500	550	-50	-100
Air Transportation	450	500	450	-50	0
Communications	300	300	300	0	0
Trade	6,600	6,450	5,950	150	650
Wholesale Trade	800	750	750	50	50
Retail Trade	5,800	5,700	5,200	100	600
Gen. Merch. & Apparel	950	550	600	400	350
Food Stores	850	800	800	50	50
Eating & Drinking Places	2,000	2,400	1,900	-400	100
Finance-Ins. & Real Estate	800	800	750	0	50
Services & Misc.	6,300	6,550	6,100	-250	200
Government	10,350	10,300	10,200	50	150
Federal	3,100	3,150	3,050	-50	50
State	4,400	4,300	4,400	100	0
Local	2,850	2,850	2,750	0	100

Anchorage-MatSu Region

	Changes from:				
	p/ 10/91	r/ 9/91	10/90	9/91	10/90
Total Nonag. Wage & Salary	123,300	124,750	120,600	-1,450	2,700
Goods-producing	13,250	14,300	13,300	-1,050	-50
Mining	3,750	4,000	4,050	-250	-300
Construction	7,200	7,700	6,950	-500	250
Manufacturing	2,300	2,600	2,300	-300	0
Service-producing	110,050	110,450	107,300	-400	2,750
Transportation	12,200	12,600	11,750	-400	450
Trade	28,600	28,700	28,550	-100	50
Finance-Ins. & Real Estate	6,950	6,850	6,900	100	50
Services & Misc.	31,750	32,200	30,100	-450	1,650
Government	30,550	30,100	30,000	450	550
Federal	10,700	10,800	10,400	-100	300
State	9,000	8,800	8,950	200	50
Local	10,850	10,500	10,650	350	200

Interior Region

	Changes from:				
	p/ 10/91	r/ 9/91	10/90	9/91	10/90
Total Nonag. Wage & Salary	32,700	33,450	31,550	-750	1,150
Goods-producing	2,850	2,950	2,850	-100	0
Mining	400	400	400	0	0
Construction	1,800	1,850	1,800	-50	0
Manufacturing	650	700	650	-50	0
Service-producing	29,850	30,500	28,700	-650	1,150
Transportation	2,450	2,700	2,350	-250	100
Trade	7,000	6,900	6,350	100	650
Finance-Ins. & Real Estate	850	850	800	0	50
Services	6,850	7,350	6,700	-500	150
Government	12,700	12,700	12,500	0	200
Federal	3,700	3,900	3,650	-200	50
State	4,650	4,600	4,650	50	0
Local	4,350	4,200	4,200	150	150

Table • 2

Nonagricultural Wage and Salary Employment By Place of Work

Southeast Region

	p/ 10/91	r/ 9/91	Changes from:		
			10/90	9/91	10/90
Total Nonag. Wage & Salary	33,300	35,750	33,550	-2,450	-250
Goods-producing	6,050	7,200	6,700	-1,150	-650
Mining	350	350	350	0	0
Construction	1,250	1,350	1,200	-100	50
Manufacturing	4,450	5,500	5,150	-1,050	-700
Durable Goods	2,200	2,350	2,900	-150	-700
Lumber & Wood Products	2,100	2,250	2,800	-150	-700
Nondurable Goods	2,250	3,150	2,250	-900	0
Seafood Processing	1,150	2,000	1,150	-850	0
Pulp Mills	900	900	900	0	0
Service-producing	27,250	28,550	26,850	-1,300	400
Transportation	2,700	2,950	2,600	-250	100
Trade	5,400	5,700	5,400	-300	0
Wholesale Trade	600	600	600	0	0
Retail Trade	4,800	5,100	4,800	-300	0
Finance-Ins. & Real Estate	1,050	1,050	1,100	0	-50
Services & Misc.	5,600	6,200	5,450	-600	150
Government	12,500	12,650	12,300	-150	200
Federal	2,100	2,300	2,200	-200	-100
State	5,400	5,600	5,400	-200	0
Local	5,000	4,750	4,700	250	300

Gulf Coast Region

	p/ 10/91	r/ 9/91	Changes from:		
			10/90	9/91	10/90
Total Nonag. Wage & Salary	22,600	24,300	23,100	-1,700	-500
Goods-producing	5,400	6,600	5,900	-1,200	-500
Mining	1,200	1,300	1,250	-100	-50
Construction	1,100	1,050	1,200	50	-100
Manufacturing	3,100	4,250	3,450	-1,150	-350
Seafood Processing	2,200	3,200	2,450	-1,000	-250
Service-producing	17,200	17,700	17,200	-500	0
Transportation	2,000	2,050	1,950	-50	50
Trade	3,900	4,250	3,850	-350	50
Wholesale Trade	450	550	450	-100	0
Retail Trade	3,450	3,700	3,400	-250	50
Finance-Ins. & Real Estate	650	600	650	50	0
Services & Misc.	4,600	4,750	4,550	-150	50
Government	6,050	6,050	6,200	0	-150
Federal	550	600	600	-50	-50
State	1,850	1,950	1,900	-100	-50
Local	3,650	3,500	3,700	150	-50

Northern Region

	p/ 10/91	r/ 9/91	Changes from:		
			10/90	9/91	10/90
Total Nonag. Wage & Salary	15,000	15,550	15,150	-550	-150
Goods-producing	6,050	6,550	6,400	-500	-350
Mining	5,550	6,000	5,850	-450	-300
Service-producing	8,950	9,000	8,750	-50	200
Government	4,750	4,550	4,600	200	150
Federal	300	300	300	0	0
State	400	400	350	0	50
Local	4,050	3,850	3,950	200	100

Southwest Region

	p/ 10/91	r/ 9/91	Changes from:		
			10/90	9/91	10/90
Total Nonag. Wage & Salary	14,850	15,300	14,400	-450	450
Goods-producing	3,300	4,150	3,100	-850	200
Seafood Processing	2,950	3,800	2,700	-850	250
Service-producing	11,550	11,150	11,300	400	250
Government	6,600	6,300	6,450	300	150
Federal	1,300	1,350	1,300	-50	0
State	550	550	550	0	0
Local	4,750	4,400	4,600	350	150

Notes: Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear above are definitionally different from those that appear in the Labor Force table.

Benchmark: March 1990

p/ denotes preliminary estimates
r/ denotes revised estimates

Source: Alaska Department of Labor,
Research & Analysis Section.

Table • 3

Alaska Hours and Earnings for Selected Industries

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	p/ 10/91	r/ 9/91	10/90	p/ 10/91	r/ 9/91	10/90	p/ 10/91	r/ 9/91	10/90
Mining	\$1,116.83	\$1,138.99	\$1,076.43	48.6	49.5	46.7	\$22.98	\$23.01	\$23.05
Construction	1,128.14	1,153.01	1,132.04	45.6	47.1	46.3	24.74	24.48	24.45
Manufacturing	538.61	544.50	556.90	41.4	43.7	41.1	13.01	12.46	13.55
Seafood Processing	373.21	441.21	386.78	41.7	46.2	40.8	8.95	9.55	9.48
Trans., Comm. & Utilities	622.52	626.04	575.23	34.7	36.0	33.6	17.94	17.39	17.12
Trade	356.13	358.07	360.75	32.2	33.4	32.5	11.06	11.02	11.10
Wholesale	585.61	583.35	570.36	38.2	40.2	39.2	15.33	15.27	14.55
Retail	309.69	316.13	316.91	31.0	31.9	31.1	9.99	9.91	10.19
Finance-Ins. & R.E.	411.89	419.72	398.14	33.9	35.3	34.0	12.15	11.89	11.71

Notes:

p/ denotes preliminary estimates

r/ denotes revised estimates

Benchmark: March 1990

Averages are based on data for full- and part-time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

Source: Alaska Department of Labor, Research & Analysis Section.

the first half of the year. The underlying increase in workers with other federal agencies, including civilian employment on military bases, can now be seen in the statistics.

Local government growth is virtually all in the education sector. Likewise, although total employment with the state appears to be the same as last October, there is growth on the education side. The University of Alaska has more jobs this October, while jobs with other state agencies drops further below year ago levels. The job count doesn't differentiate between part time and full time employment, though. An increase in total employment may mask the fact that an agency has traded some full-time jobs for more part time jobs.

Weaknesses are in mining, construction and manufacturing industries

Tempering October's job growth in the services industries were several hundred fewer jobs in mining, construction and manufacturing. Overall mining employment is down by 600 over the year. A small amount of growth in hard rock and other mining was not enough to negate the losses in the oil and gas industry. This industry has been registering over the year job losses since July. One major operator on the North Slope, ARCO Alaska, trimmed its workforce by more than 200. Many of these layoffs occurred in October.

At the same time, however, ARCO announced plans to go ahead with a second gas handling facility that will allow a boost in oil production. Named GHX-II, this \$1.5 billion project will mean several hundred construction jobs over the next three years, and eventually boost oil and gas employment. Also in October, ARCO revealed that exploratory drilling in Cook Inlet resulted in a discovery there.

Another major oil producer, Chevron, announced in October that they plan to more than triple their investment dollars in Alaska over the next five years. They do not have plans to do any further exploration in the Chukchi Sea but will concentrate, instead, on their Milne Point operation and its vicinity on the North Slope.

In spite of job losses in oil and gas, Alaska's oil production was above 1990 for the first ten months of this year, due to well stimulation and enhanced oil recovery technology. Prices remain fairly stable and fairly high, close to \$20/barrel. The major producers, though, are tightening their belts as they make plans for future projects.

October was the first month in 1991 that Alaska's seafood processing employment dipped into negative numbers compared to the same month of 1990. In fact, October was this industry's first month of negative rates in almost two years—since the end of 1989. Southwest

was the only region with more seafood processing jobs than October 1990. Gains in this region, however, were negated by the losses suffered in the Gulf Coast region. There, an October cod opening only lasted three days before trawlers reached the halibut bycatch allowance, shutting down bottom trawling in the western and central Gulf. Trawling for pollock is becoming an activity lasting a few days, too, instead of several weeks or months. Shortened openings are contributing to Kodiak's record setting unemployment rates. The only community to experience a greater increase in unemployment from last October was Haines, where a sawmill closure meant a loss of 125 jobs. (See Table 4.)

The real drag on manufacturing employment, though, is not seafood processing but wood products. This industry has been in decline in the Southeast region since last winter, showing over the year employment losses of up to 1,000 each month. October saw employment losses spread to Southcentral when Chugach Alaska closed its sawmill in Seward, meaning a loss of up to 150 jobs for the area. The company is offering the mill for sale, so these job losses may not be permanent.

Alaska's construction industry had the smallest employment decline over-the-year than the other goods-producing industries. There was some good news for this industry in October. The Job Corps Center in Palmer received the federal funding necessary for its construction. Also, ground was broken in Ketchikan for the \$7.1 million Southeast Alaska Public Lands Information Center (SAPLIC). Some hope that the SAPLIC will become an anchor for further development of the Spruce Mill dock area. Preliminary plans call for marine businesses, restaurants, and other businesses to locate there, catering both to tourists and local residents.

Ketchikan saw the above mentioned federal project start in October, while another one ended. The U.S. Navy's submarine sound testing facility on Back Island was completed, and testing should begin early in 1992.

Summary: Employment gains tempered by higher unemployment rate

October's over the year gain of 3,600 new jobs was the highest number since April. All of these new jobs were with service producing industries. The opening of two new stores in Fairbanks meant several hundred new retail jobs there. Other industries showing strong growth in October were transportation and services.

Government employment also made gains in October. The number of federal workers was up 500 over October 1990, while record school enrollments pushed local government employment up 900 over the year. State employment remained the same as last year's but the emphasis shifted. There were more jobs with the University of Alaska this year and fewer with all other state agencies.

The basic industries of mining, manufacturing and construction all lost employment in October. Losses in the mining industry are all in the oil and gas sector. In manufacturing, a wood products industry in decline in Southeast is the major cause for employment losses, but the suffering spread to Southcentral in October when a large sawmill closed. Shortened openings for cod and pollock in the Gulf Coast kept seafood processing employment below year ago levels.

Even with employment gains, Alaska saw a 1.5% increase in the unemployment rate in October to 9%, the highest rate for October in four years. Every region is registering higher unemployment rates. Haines and Kodiak experienced the largest over the year increases of 12.3 and 9.1 percentage points, respectively. Historically, though, the unemployment rate averages 8.6% for October. While the economy in 1991 may appear sluggish compared to the growth of 1989 and 1990, statistics such as this October's are not new to Alaska.

Table 4

Labor Force By Region and Census Area

	Labor Force			Unemployment			Rate %			Employment		
	p/ 10/91	r/ 9/91	10/90	p/ 10/91	r/ 9/91	10/90	p/ 10/91	r/ 9/91	10/90	p/ 10/91	r/ 9/91	10/90
Alaska Statewide	259,616	260,474	256,880	23,322	19,641	16,222	9.0	7.5	6.3	236,294	240,833	240,658
Anch.-MatSu Region	137,153	136,159	134,815	11,014	9,668	7,410	8.0	7.1	5.5	126,139	126,491	127,405
Munic. of Anchorage	120,146	119,886	118,459	8,621	7,732	5,736	7.2	6.4	4.8	111,525	112,154	112,723
MatSu Borough	17,007	16,273	16,356	2,393	1,936	1,674	14.1	11.9	10.2	14,614	14,337	14,682
Gulf Coast Region	29,060	29,602	29,209	3,867	2,831	2,512	13.3	9.6	8.6	25,193	26,771	26,697
Kenai Peninsula Borough	18,084	18,415	18,321	2,648	2,012	1,963	14.6	10.9	10.7	15,436	16,403	16,358
Kodiak Island Borough	6,701	6,799	6,433	819	549	200	12.2	8.1	3.1	5,882	6,250	6,233
Valdez-Cordova	4,275	4,388	4,455	400	270	349	9.4	6.2	7.8	3,875	4,118	4,106
Interior Region	36,815	36,613	35,788	3,889	3,261	2,953	10.6	8.9	8.3	32,926	33,352	32,835
Fairbanks North Star Bor	31,713	31,659	30,884	3,163	2,740	2,413	10.0	8.7	7.8	28,550	28,919	28,471
Southeast Fairbanks	2,068	2,039	2,050	244	191	231	11.8	9.4	11.3	1,824	1,848	1,819
Yukon-Koyukuk	3,034	2,915	2,854	482	330	309	15.9	11.3	10.8	2,552	2,585	2,545
Northern Region	8,616	8,566	8,467	912	812	511	10.6	9.5	6.0	7,704	7,754	7,956
Nome	3,158	3,144	3,100	340	308	189	10.8	9.8	6.1	2,818	2,836	2,911
North Slope Borough	3,114	3,082	3,106	200	149	97	6.4	4.8	3.1	2,914	2,933	3,009
Northwest Arctic Borough	2,344	2,340	2,261	372	355	225	15.9	15.2	10.0	1,972	1,985	2,036
Southeast Region	35,322	36,887	35,999	2,907	2,447	2,203	8.2	6.6	6.1	32,415	34,440	33,796
Haines Borough	972	1,034	878	201	215	74	20.7	20.8	8.4	771	819	804
Juneau Borough	15,723	16,541	16,066	1,065	967	782	6.8	5.8	4.9	14,658	15,574	15,284
Ketchikan Gateway Bor	6,552	6,824	6,736	545	442	473	8.3	6.5	7.0	6,007	6,382	6,263
Pr. of Wales-Outer Ketch	2,789	2,902	2,733	398	362	241	14.3	12.5	8.8	2,391	2,540	2,492
Sitka Borough	4,067	4,270	4,196	249	213	215	6.1	5.0	5.1	3,818	4,057	3,981
Skagway-Yakutat-Angoon	1,677	1,672	1,729	184	86	173	11.0	5.1	10.0	1,493	1,586	1,556
Wrangell-Petersburg	3,542	3,644	3,661	265	162	245	7.5	4.4	6.7	3,277	3,482	3,416
Southwest Region	12,650	12,647	12,602	733	622	633	5.8	4.9	5.0	11,917	12,025	11,969
Aleutians East Borough	879	887	884	7	7	8	0.8	0.8	0.9	872	880	876
Aleutians West	2,473	2,493	2,481	29	27	26	1.2	1.1	1.0	2,444	2,466	2,455
Bethel	4,932	4,899	4,856	415	341	319	8.4	7.0	6.6	4,517	4,558	4,537
Bristol Bay Borough	493	489	487	32	24	24	6.5	4.9	4.9	461	465	463
Dillingham	2,230	2,237	2,258	72	59	91	3.2	2.6	4.0	2,158	2,178	2,167
Wade Hampton	1,643	1,642	1,636	178	164	165	10.8	10.0	10.1	1,465	1,478	1,471

Notes: p/ denotes preliminary estimates

r/ denotes revised estimates

Benchmark: March 1990

- Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey in formulas used to allocate federal funds.
 - Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor.
 - The official definition of unemployment currently in place excludes anyone who has made no attempt to find work in the four-week period up to and including the week that includes the 12th of each month. Most Alaska economists believe that Alaska's rural localities have proportionately more of these discouraged workers.
 - The employment numbers that appear above are definitionally different from those that appear in the Nonagricultural Wage & Salary Employment tables.
- Source: Alaska Department of Labor, Research & Analysis Section.

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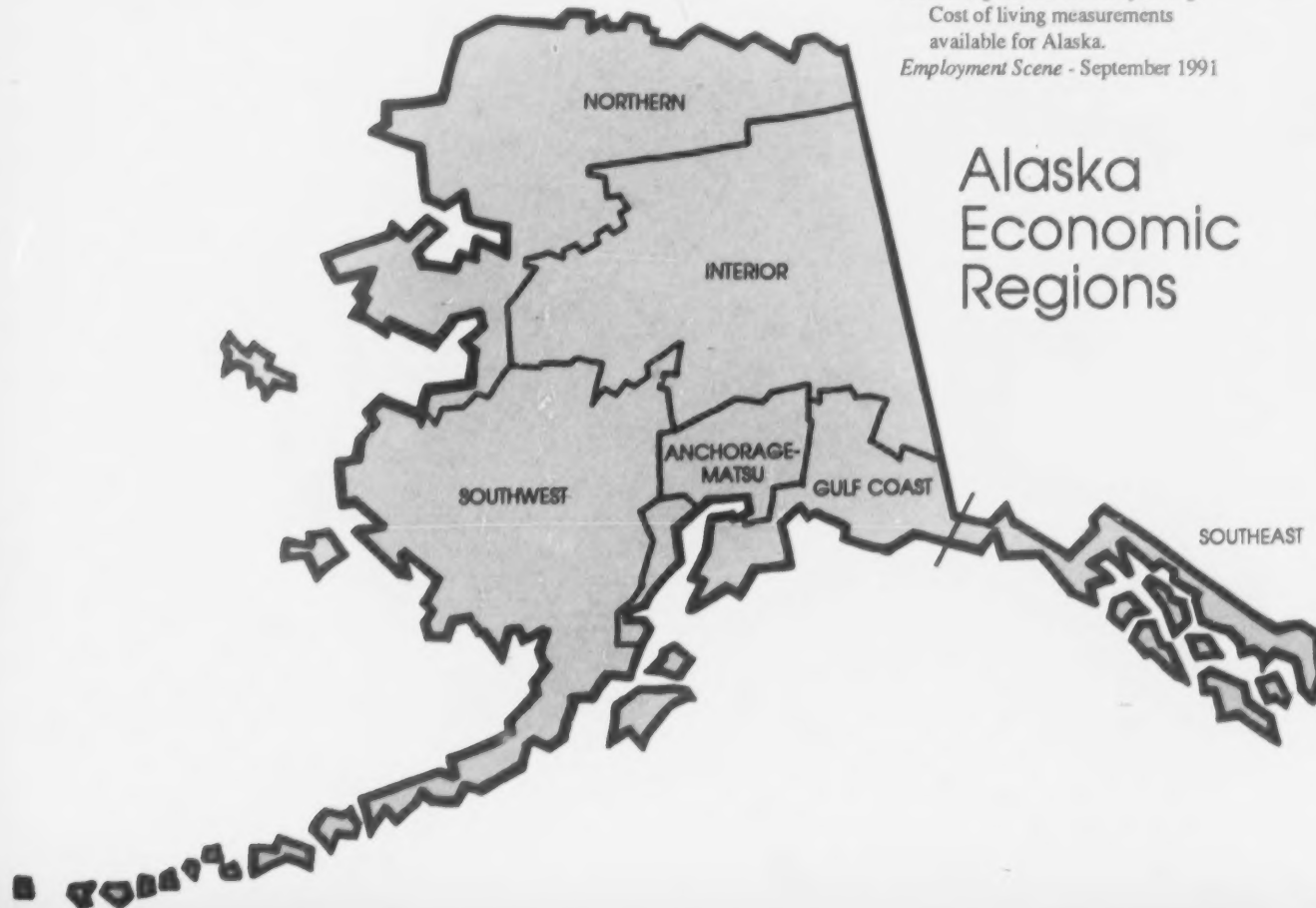
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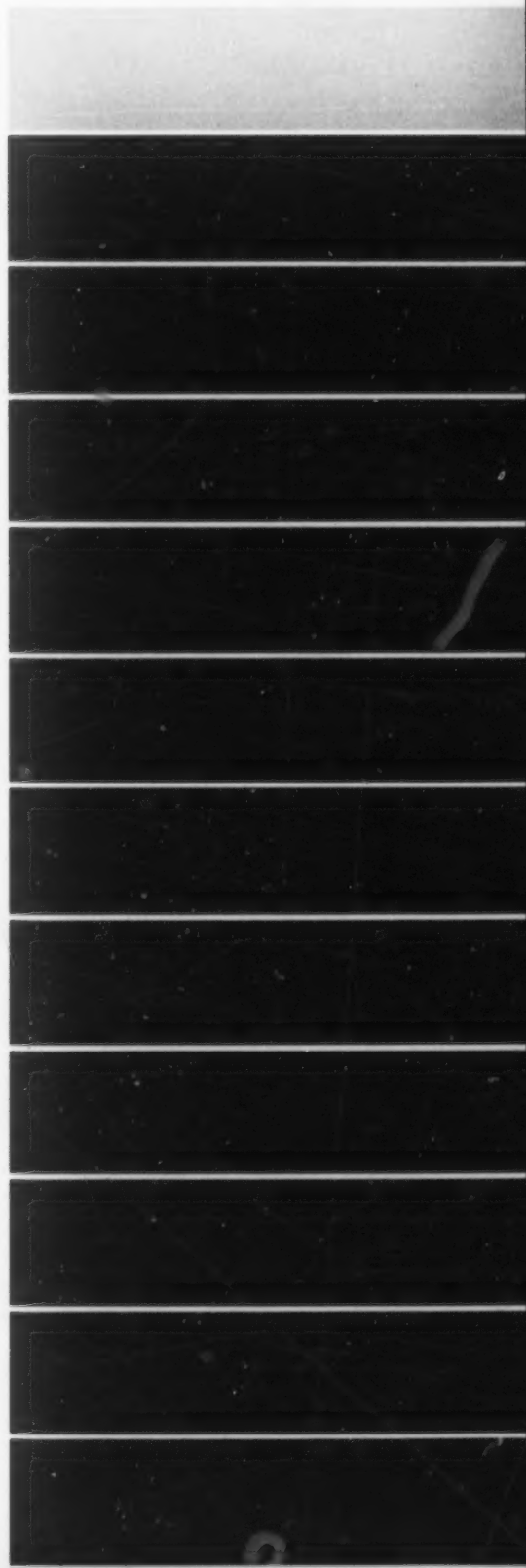
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ALASKA ECONOMIC TRENDS

February 1992



NOVEMBER JOBLESS RATE
NEARS DOUBLE DIGITS

INNOVATIVE USES OF THE
OCCUPATIONAL DATA BASE

ALASKA DEPARTMENT OF LABOR
WALTER J. HICKEL, GOVERNOR

ALASKA ECONOMIC

TRENDS

Contents

Alaska Economic Trends is a monthly publication dealing with a variety of economic-related issues occurring in the state.

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State of Alaska*

*John A. Abshire, Acting Commissioner,
Department of Labor*

*Chuck Caldwell, Chief,
Research and Analysis*

J. Pennelope Goforth, Editor

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Alaska State Employment Service



**UNEMPLOYMENT
INSURANCE**
maintaining the foundation of economic security

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Innovative Uses of the Occupational Data Base

by JoAnn Wilson

It is commonplace today to observe that the work place is undergoing rapid change. Economic and technological developments are creating new jobs, making others obsolete, and changing the skill requirements of existing jobs. Demographic changes are profoundly influencing the composition of the labor force. Getting the localized, up-to-date occupational information necessary for planning education and training programs which are responsive to these changes and measuring the effectiveness of these programs is essential.

Alaska is unique in having access to such information. The Alaska Department of Labor (AKDOL) Research and Analysis collects occupation and place-of-work information for most of the state's wage and salary workers in addition to the employer, wage and industry information typically collected by the other states. This one-of-a-kind data source is called the Alaska Occupational Data Base (ODB).

By crossmatching the Occupational Data Base with other information sources, it is possible to:

- Target training programs by identifying entry-level positions not currently being filled by Alaskans, women or other worker groups.
- Examine the occupational patterns and earnings of a particular geographic area, industry or population.
- Track the career paths of high school and college program graduates.
- Monitor the performance of education and training programs through the measurement of pre- and post-training earnings differentials and the relation-

ship between the occupation for which a person was trained and the occupation in which the graduate or completer is currently working.

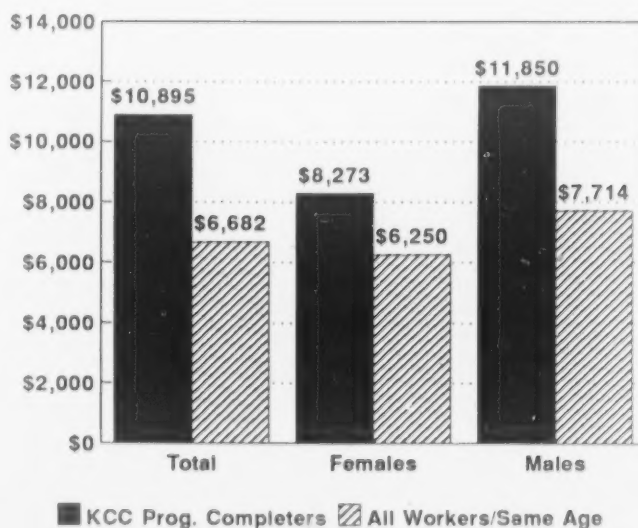
The Alaska Department of Labor currently crossmatches the ODB with its wage records, unemployment insurance data and other administrative records. AKDOL does not release data that would reveal the identity of any individual. Confidentiality of individuals is strictly maintained.

There are some limitations to the data. For example, because the information applies only to persons holding wage and salary employment in Alaska, it excludes those who are employed in another state, self-employed, in the military or attending school full time. Information on persons employed by the federal government is also lacking. In the future, AKDOL hopes to add data on federal and military personnel as well as information

JoAnn Wilson is a labor economist with the Research & Analysis Section, Administrative Services Division, Alaska Department of Labor. She is based in Juneau.

Figure • 1

Completers 1990 Average Earnings Exceed All Alaskan Workers the Same Age



Source: Alaska Department of Labor, Research and Analysis Section.

T a b l e • 1

Top 10 Occupations for Selected Alaska Geographic Areas (by employment) 1st Quarter 1991

	ANCHORAGE	FAIRBANKS	JUNEAU	KETCHIKAN	DILLINGHAM	VALDEZ-CORDOVA
#1	General Office Occupations	Sales Clerks	Sales Clerks	Manual Occupations, NEC	Teacher Aides	Construction Laborers
#2	Secretaries	Janitors & Cleaners	General Office Occupations	Sales Clerks	Janitors & Cleaners	Teacher Aides
#3	Sales Clerks	General Office Occupations	Janitors & Cleaners	General Office Occupations	Elementary School Teachers	Guards & Police, Excluding Public Service
#4	Waiters & Waitresses	Secretaries	Waiters & Waitresses	Carpenters	Mechanics & Repairers, NEC	Misc. Hand-Working Occupations
#5	Misc. Food & Beverage Prep. Occupations	Waiters & Waitresses	Kitchen Workers, Food Prep.	Bookkeepers & Accounting Clerks	Health Aides, Excluding Nursing	Stevedores
#6	Bookkeepers & Accounting Clerks	Adult Ed & Other Teachers, NEC	Secretaries	Elementary School Teachers	General Office Occupations	General Office Occupations
#7	Janitors & Cleaners	Teachers, Postsecondary	Bookkeepers & Accounting Clerks	Misc. Food & Beverage Prep. Occupations	Secretaries	Janitors & Cleaners
#8	Kitchen Workers, Food Prep.	Food Counter & Related Occupations	Cashiers	Teacher Aides	Secondary School Teachers	Secretaries
#9	Receptionists	Construction Laborers	Teachers, Postsecondary	Bartenders	Kitchen Workers, Food Prep.	Elementary School Teachers
#10	Counter Clerks	Elementary School Teachers	Stock Handlers & Baggers	Secretaries	Dispatchers	Manual Occupations, NEC

NEC = Not Elsewhere Classified.

Source: Alaska Department of Labor, Research & Analysis, Occupational Data Base (ODB)

¹ Information on occupational patterns by geographic area has been included in a microcomputer-based slide show just completed by DOL Research and Analysis. The slide show will be made available to secondary students throughout Alaska by DOL's Employment Security Division. The data derived from the ODB will give students making career decisions information on the most numerous occupations in their own local area.

from other Pacific Northwest states on the industry and earnings of Alaska's graduates who have left the state. In the meantime, research findings must be scrutinized with these exceptions in mind.

Identifying Alaska occupations filled by nonresidents

The Occupational Data Base was originally established to identify the economic impact of nonresident workers. While its use has become much broader, identifying occupations with large numbers of nonresidents can point out training and employment opportunities for Alaskans.

A recent analysis of Alaska occupations filled by nonresidents in 1990 revealed that the occupation with the largest percentage of nonresidents was hand cutters/trimmers (76.1% of total employment). The group with the largest number of nonresident workers was miscellaneous hand working occupations (4,896). Most of these workers are employed in seafood processing.

In 1990, nonresident workers totaled 20,515 for the ten Alaska occupations with the largest number of nonres-

idents. These occupations were, in addition to miscellaneous hand-working occupations, manual occupations not elsewhere classified (4,367), hand cutters/trimmers (2,056), waiters and waitresses (1,589), salesclerks (1,583), miscellaneous food and beverage preparers (1,425), general office occupations (1,349), construction laborers (1,145), cooks except short order (1,111) and janitors and cleaners (994).

Examining the occupational patterns of geographic areas

Knowing the occupational patterns of geographic areas can shed light on local economies and is critical in planning education and training programs. Occupations in which a large number of workers are employed in a particular geographic area clearly present more opportunities to local residents than occupations in which few persons are employed.¹

Table 1 lists the "Top 10" occupations (by total number employed) for selected geographic areas in Alaska. The information is for the first quarter of 1991.

Tracking completers of a high school vocational program

A study detailing employment and wage information about 259 senior-level students attending the Martin Luther King Career Center in Anchorage in 1987 was recently completed in cooperation with the Alaska Department of Education and the University of Alaska Anchorage. The center is part of the Anchorage School District and offers vocational training programs to secondary students.

The cooperating agencies approached the Department of Labor because they wanted to determine the feasibility of conducting secondary student follow-up studies using AKDOL data instead of mail or telephone surveys which typically yield spotty results.

The students, who had completed three or more units in 1987 in related occupational studies, or course "clusters," were tracked for the four-year period 1987-1990. There was strong evidence for the positive effects of the training. This was true even though the students included in the study had typically completed only three units at the center.

The study found that, overall, 25% of the students working in wage and salary employment in Alaska in 1990 were employed in industries and/or occupations related to their course of study.

The occupational cluster most associated with related employment was Automated Office Occupations (75%). Other course clusters with higher-than-average related placements were Child Care (40%), Construction (36.3%), Aviation Maintenance (35.7%), Auto Mechanics/Auto Body (35.5%), Computer Programming/Computer Operation (33.3%) and Tourism (28.6%). Occupational clusters with the fewest related placements were Health Occupations (7.1%) and Graphic Arts & Communication (3.8%).

Most of the students (60%) were working in retail trade or services in 1990. While this pattern of employment differs from the general work force (in 1990, retail trade and services accounted for only 37.4% of total Alaska wage and salary employment), it appears to be characteristic for workers of the same age. Looking only at those persons in the Alaska labor force born in 1968 and 1969 (the same age as the King Career Center students), retail trade and services accounted for 61.4% of 1990 employment.

Total earnings for all students working in 1990 was up 86% over 1988 (the first full year after completion). For those students working in 1990, total earnings rose from \$1,068,440 in 1988 to \$1,987,741 in 1990.

Average earnings of the students exceeded those of other Alaska workers of the same age both overall and by gender (see Figure 1). The King Career Center students earned 63% more, on average, than other workers their age in 1990. By gender, males earned 54% more and females, 32% more, than their same-age counterparts.

**Total Earnings Year Before and After Training
SFY 1989 AVTEC Graduates**

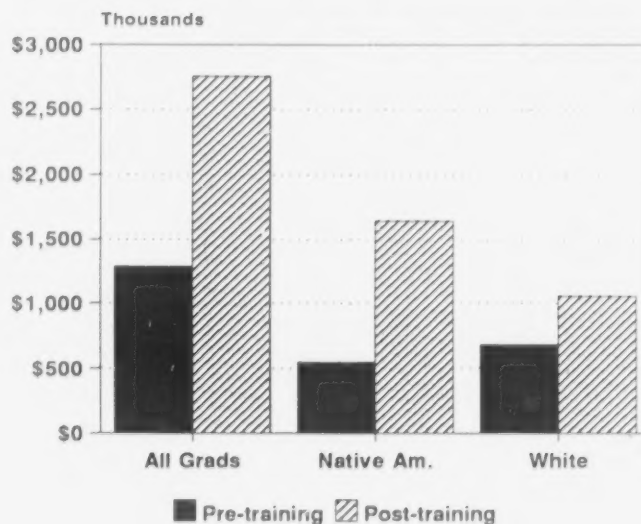


Figure • 2

Source: Alaska Department of Labor, Research and Analysis Section.

The highest 1990 average earnings were received by students in Surveying (\$21,192). This was well above the occupational cluster with the next highest earnings, Auto Mechanics/Auto Body (\$14,499). The lowest annual average earnings were received by students in Health Occupations (\$8,613).

Most of the King Career Center students holding wage and salary employment in Alaska in 1990 were working in the Anchorage Borough (81%). This finding is significant because it was assumed that a large proportion of the students leave the area after completing their secondary studies.

Tracking college program graduates

The University of Alaska Southeast (UAS) recently reviewed the accounting emphasis of its Bachelor in Business Administration degree program. As a part of this review, UAS asked AKDOL Research and Analysis to provide 1990 employment information on the students who had graduated from the program since fall 1984.

AKDOL found that approximately 70% of the UAS students had 1990 Alaska wage and salary employment. Of these, 87% were employed as accountants or in closely allied professions, an impressively high proportion of professional placement. Virtually all (96%) of the students were working in Southeast Alaska, a much higher proportion than university officials had expected.

UAS considers the information provided by this study to be so valuable that it has made a commitment to its accrediting agency to make routine use of the ODB in its analysis of outcomes of education at the university.

Monitoring the performance of a postsecondary vocational training program

For the second consecutive year, AKDOL Research and Analysis conducted a study of the pre- and post-training performance of the graduates of the Alaska Vocational Technical Center (AVTEC) in Seward. Information was analyzed for 204 students who completed training in SFY 1989.

Nearly half (48%) of the graduates working in wage and salary employment in Alaska in the year following training were employed in industries and/or occupations which were related to their course of study. The occupational program most associated with related employment was Roughneck Development (100%), followed by Industrial Electrical Maintenance (80%), Office

Occupations (64.5%), and Commercial Baking Technology, Heavy Equipment Mechanics and Marine Refrigeration Technology (all at 50%). The one with the fewest related placements was Welding Technology (16%).

Total earnings for all graduates were up 115% from the year before training began. By ethnic group, total earnings increased 201% for Native Americans and 55% for Whites. (See Figure 2.) Graduates in Industrial Electrical Maintenance had the highest percentage increase in total earnings (924%) when comparing pre- and post-training data. High percentage increases were also realized by graduates in Heavy Equipment Mechanics (344%), Forest Technology (315%), Food Service Technology (299%), Auto Technology (218%) and Roughneck Development (203%). Lower-than-average increases were received by graduates in Office Occupations (104%), Building Maintenance (47%) and Power Plant Operations (37%).

The highest 1990 average earnings were received by graduates in Roughneck Development (\$34,730). Graduates in Industrial Electrical Maintenance received the next highest earnings (\$26,617). The lowest annual average earnings were received by graduates in Auto Technology (\$9,934) and Commercial Baking Technology (\$7,055). Overall, the average earnings of workers the year after graduation was \$15,291. By ethnic group, average earnings were \$16,738 for Native Americans and \$13,501 for Whites. These represent after-graduation increases of 201% and 55%, respectively.

Conclusion

These studies indicate the enormous potential of the Occupational Data Base. Information gained from the ODB can identify education and training programs that will be most effective for a particular worker group or geographic area. It can show students which occupations present the most opportunities for employment in their own region or community. And it can help the administrators of education and training programs to evaluate existing programs and develop new ones that reflect current labor market conditions.

Future AKDOL-planned studies using the ODB include evaluations of Alaska's State Training and Employment Program (STEP), a pilot program funded by employee contributions to the Unemployment Insurance Trust Fund, and the Job Opportunities and Basic Skills (JOBS) program administered by the Alaska Department of Health and Social Services. As training resources become increasingly scarce, studies such as those highlighted in this article will surely gain in importance.

Summary Tape File 3A

The U.S. Census Bureau will be releasing Summary Tape File 3A (STF) for all states beginning late January 1992. The ALASKA STATE DATA CENTER (ASDC) expects the Alaska data will be available by mid-February. The bureau intends to have all state's data released by May 1992.

The data on STF 3A will include information on education, labor force status, disability, ancestry, occupation, and poverty status.

The data is considered sample data as it was only collected on the 1990 census "long" form. Additional data items are: total housing units, year structure was built, condominium for rent or for sale, plumbing facilities, telephone, number of vehicles, gross rent, mortgages, and home equity loans.

All of the subject characteristics will be available at the state, census area, place, census designated place (CDP), Alaska Native Statistical Area, Census Tract/Block Numbering Area, and Block Group geographic levels.

The STF 3A file will be available to data users on magnetic tape from the ASDC. Interested users may send a blank tape which will be copied and returned (contact the ASDC for tape specifications). Technical documentation is included on the tape. The census bureau intends to have STF 3A available on CD-ROM within 6-8 weeks after the release of the tape. The ASDC will also produce state and census area profiles of different characteristics for public distribution in both hard copy and diskette format.

The following lists show the types of data available from STF 3A:

Race by Sex by Employment Status (for male, female, and all races)
for Persons 16 years and over
in the labor force
In Armed Forces
Civilian employed or unemployed
Not in the labor force

Occupations of employed persons 16 years and over:
Managerial and professional specialty occupations
Executive, administrative, and managerial
Professional specialties
Technical, sales, and administrative support occupations
Technicians and related support
Sales
Administrative support including clerical
Service occupations
Private household
Protective services
Farming, forestry, and fishing occupations
Precision, production, craft, and repair occupations
Operators, fabricators, and laborers
Machine operators, assemblers, and inspectors
Transportation and material movers
Handlers, equipment cleaners, helps and laborers

Alaska State Data Center • P.O. Box 25504, Juneau, Alaska 99802-5504 • 465-4500/Fax 465-2101

November Jobless Rate Approaches Double-Digits

By John Boucher

Alaska's unemployment rate was a sign of a slower economy in November. For the first time since the spring of 1988 the jobless rate approached the double-digit level. The 9.8% unemployment rate was the highest for the state since May 1988—when unemployment was 10.1%. The spring and summer of 1988 are generally regarded as the recovery point from the recession of 1986-87.

One particularly unsettling fact about November's jobless rate was the unfavorable comparison to Alaska's unemployment rate of one year ago. Last November the unemployment rate was 6.7% and about 16,900 Alas-

kans were out of work. This November, the number of unemployed Alaskans swelled to more than 25,000. (See Table 4.) This represents the largest year-to-year increase in unemployment since the recession.

In this otherwise relatively bleak picture, there was one good sign in November. Nonagricultural wage and salary employment posted the highest rate of growth over the year in the last several months—with 5,900 more jobs this November than last November. Temporary gains in government employment, along with continued strength in the services, transportation and seafood sectors, combined to bolster job growth compared to last November to 2.5%. (See Table 1.)

Table • 1

Nonagricultural Wage and Salary Employment by Place of Work — Alaska

High seasonal unemployment... back to the "bad old days"?

November's 9.8% statewide unemployment rate was the highest for that month since 1987. A 9.8% statewide rate, however, is not too unusual, historically. The November rate might be considered a return to a more normal rate of unemployment for Alaska in November. During the 1980s, the November unemployment rate averaged 9.3%. If you disregard the exceptionally low rate posted in 1989, the average unemployment rate during November in the '80s was 9.7%. Looking at the longer term, the relatively low rates posted during 1989 and 1990 look more like aberrations than the November 1991 rate. (See Figure 1.)

What made November of 1989 and 1990 unique compared to most Novembers? A rare combination

			Changes from:		
	p/ 11/91	r/ 10/91	11/90	10/91	11/90
Total Nonag. Wage & Salary	237,000	242,200	231,100	-5,200	5,900
Goods-producing	34,100	37,300	34,200	-3,200	-100
Mining	10,900	11,300	11,700	-400	-800
Construction	10,100	12,100	10,300	-2,000	-200
Manufacturing	13,100	13,900	12,200	-800	900
Durable Goods	3,000	3,500	3,400	-500	-400
Lumber & Wood Products	2,200	2,500	2,700	-300	-500
Nondurable Goods	10,100	10,400	8,800	-300	1,300
Seafood Processing	6,200	6,600	5,000	-400	1,200
Pulp Mills	900	900	900	0	0
Service-producing	202,900	204,900	196,900	-2,000	6,000
Transportation	20,800	21,800	20,000	-1,000	800
Trucking & Warehousing	2,600	2,700	2,500	-100	100
Water Transportation	1,300	1,500	1,200	-200	100
Air Transportation	6,600	6,800	6,400	-200	200
Communications	3,500	3,600	3,400	-100	100
Trade	47,000	47,300	46,100	-300	900
Wholesale Trade	8,000	8,100	8,200	-100	-200
Retail Trade	39,000	39,200	37,900	-200	1,100
Gen. Merch. & Apparel	6,900	6,600	6,300	300	600
Food Stores	6,800	6,800	6,400	0	400
Eating & Drinking Places	12,600	13,200	12,800	-600	-200
Finance-Ins. & Real Estate	10,200	10,200	10,200	0	0
Services & Misc.	51,500	52,600	49,700	-1,100	1,800
Hotels & Lodging Places	4,700	5,200	4,800	-500	-100
Government	73,400	73,000	70,900	400	2,500
Federal	18,700	18,800	18,000	-100	700
State	21,900	21,700	21,600	200	300
Local	32,800	32,500	31,300	300	1,500

Notes: Prepared in cooperation with the U.S. Bureau of Labor Statistics.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear here are definitionally different from those that appear in the Labor Force table.

Benchmark: March 1990
p/ denotes preliminary estimates
r/ denotes revised estimates

Source: Alaska Department of Labor, Research & Analysis Section.

of strong Alaskan employment growth with a relatively strong national economy which had slowed down the flow of jobseekers coming to Alaska for employment opportunities. This November, the national recession has pushed jobseekers into exploring Alaska as a place where they could find work. Unfortunately, they're arriving at a time when many of Alaska's industries are struggling to maintain their employment.

A different kind of slowdown

During the last 15 years or so, it has been a popular notion that there is a countercyclical relationship between Alaska's economy and the national economy. National recessions in 1974, 1980 and 1982 occurred during times when Alaska's economy was expanding. This led to the belief that when Alaska's economy is going well, the national economy suffers, and vice versa.

Another trait those three national recessions had in common was a period of relatively high oil prices. It is more than coincidence that Alaska's economic engines revved up during those time periods. In one form or another, the oil industry or the revenue it generated helped fuel expansion in Alaska's economy while higher oil prices either caused or contributed to a slowdown in the national economy.

This is the first time in recent memory that a slowdown in Alaska's economy has occurred during a national recession. This recession is one cause for the dramatic change in Alaska's labor market picture since last November.

Early in this national recession, Alaska benefitted from higher oil prices, but that was more a result of the Gulf War than any other factor. Currently oil prices are sliding and Alaska's two largest oil producers are reducing operations. Employment growth has slowed in other industries

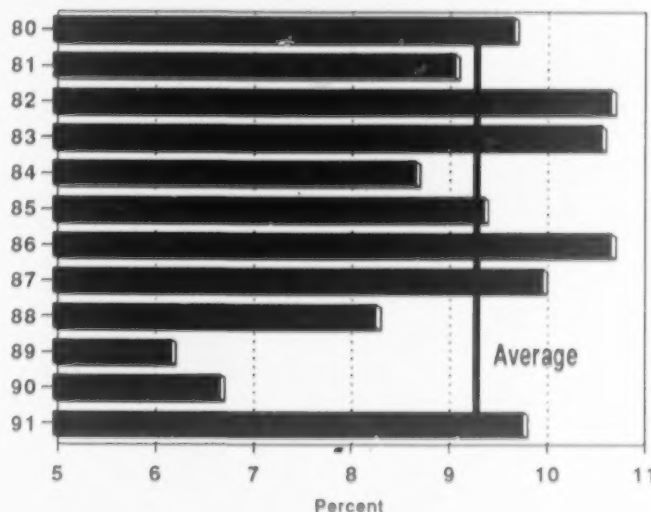
as well. In the meantime, there appears to be no let up in the national recession. During previous national recessions, Alaskan employment growth, fueled by higher oil prices, helped provide jobseekers employment opportunities. Currently there is no major economic stimulus to provide the employment opportunities necessary to keep up with in-migrants. This worsening of the labor market picture has also made it difficult for those who lose jobs to find new employment.

Why did November employment show renewed growth?

Looking at the November nonagricultural wage and salary employment counts defies the analysis that job growth has slowed down considerably. (See Table 1.) November's employment level was 2.5% above last November, the strongest year-to-year growth rate posted since the first quarter of the year. Some of that growth, however, is a temporary phenomenon which will evaporate quickly.

Figure • 1

November '91 Unemployment Above Average



Source: Alaska Department of Labor, Research and Analysis Section.

Table • 2

Nonagricultural Wage and Salary Employment By Place of Work

Municipality of Anchorage

	Changes from:				
	p/	r/			
	11/91	10/91	11/90	10/91	11/90
Total Nonag. Wage & Salary	113,650	114,850	111,000	-1,200	2,650
Goods-producing	11,400	12,650	11,550	-1,250	-150
Mining	3,550	3,650	3,850	-100	-300
Construction	5,700	6,750	5,650	-1,050	50
Manufacturing	2,150	2,250	2,050	-100	100
Service-producing	102,250	102,200	99,450	50	2,800
Transportation	11,250	11,500	10,800	-250	450
Trucking & Warehousing	1,600	1,650	1,500	-50	100
Water Transportation	300	300	300	0	0
Air Transportation	4,100	4,150	4,000	-50	100
Communications	2,150	2,150	1,950	0	200
Trade	26,650	26,600	26,600	50	50
Wholesale Trade	5,700	5,800	6,000	-100	-300
Retail Trade	20,950	20,800	20,600	150	350
Gen. Merch. & Apparel	3,550	3,350	3,300	200	250
Food Stores	3,550	3,500	3,100	50	450
Eating & Drinking Places	7,500	7,550	7,800	-50	-300
Finance-Ins. & Real Estate	6,600	6,500	6,500	100	100
Services & Misc.	29,600	29,900	28,750	-300	850
Hotels & Lodging Places	2,650	2,550	2,400	100	250
Government	28,150	27,700	26,800	450	1,350
Federal	10,400	10,450	10,250	-50	150
State	8,300	8,150	8,150	150	150
Local	9,450	9,100	8,400	350	1,050

Fairbanks North Star Borough

	Changes from:				
	p/	r/			
	11/91	10/91	11/90	10/91	11/90
Total Nonag. Wage & Salary	28,250	28,800	27,000	-550	1,250
Goods-producing	2,050	2,550	2,150	-500	-100
Mining	150	200	100	-50	50
Construction	1,350	1,700	1,500	-350	-150
Manufacturing	550	650	550	-100	0
Service-producing	26,200	26,250	24,850	50	1,350
Transportation	2,050	2,150	2,000	-100	50
Trucking & Warehousing	450	450	500	0	-50
Air Transportation	450	450	450	0	0
Communications	300	300	300	0	0
Trade	6,600	6,600	5,850	0	750
Wholesale Trade	750	750	700	0	50
Retail Trade	5,850	5,850	5,150	0	700
Gen. Merch. & Apparel	1,050	950	650	100	400
Food Stores	850	850	800	0	50
Eating & Drinking Places	1,900	2,050	1,850	-150	50
Finance-Ins. & Real Estate	750	750	750	0	0
Services & Misc.	6,300	6,350	6,050	-50	250
Government	10,500	10,400	10,200	100	300
Federal	3,050	3,100	3,000	-50	50
State	4,600	4,450	4,400	150	200
Local	2,850	2,850	2,800	0	50

Anchorage-MatSu Region

	Changes from:				
	p/	r/			
	11/91	10/91	11/90	10/91	11/90
Total Nonag. Wage & Salary	121,600	123,100	118,600	-1,500	3,000
Goods-producing	11,950	13,250	12,200	-1,300	-250
Mining	3,750	3,800	4,050	-50	-300
Construction	5,950	7,100	6,000	-1,150	-50
Manufacturing	2,250	2,350	2,150	-100	100
Service-producing	109,650	109,850	106,400	-200	3,250
Transportation	12,050	12,300	11,500	-250	550
Trade	28,550	28,550	28,500	0	50
Finance-Ins. & Real Estate	7,050	7,000	6,950	50	100
Services & Misc.	31,100	31,500	30,100	-400	1,000
Government	30,900	30,500	29,350	400	1,550
Federal	10,600	10,650	10,300	-50	300
State	9,100	9,000	8,950	100	150
Local	11,200	10,850	10,100	350	1,100

Interior Region

	Changes from:				
	p/	r/			
	11/91	10/91	11/90	10/91	11/90
Total Nonag. Wage & Salary	32,350	33,050	30,650	-700	1,700
Goods-producing	2,300	2,850	2,300	-550	0
Mining	300	400	250	-100	50
Construction	1,400	1,800	1,500	-400	-100
Manufacturing	600	650	550	-50	50
Service-producing	30,050	30,200	28,350	-150	1,700
Transportation	2,250	2,500	2,200	-250	50
Trade	7,050	7,050	6,300	0	750
Finance-Ins. & Real Estate	800	800	800	0	0
Services	6,950	6,950	6,550	0	400
Government	13,000	12,900	12,500	100	500
Federal	3,700	3,750	3,550	-50	150
State	4,850	4,700	4,650	150	200
Local	4,450	4,450	4,300	0	150

Nonagricultural Wage and Salary Employment By Place of Work

Southeast Region

	Changes from:				
	p/ 11/91	r/ 10/91	11/90	10/91	11/90
Total Nonag. Wage & Salary	31,850	33,300	32,050	-1,450	-200
Goods-producing	5,400	6,150	5,850	-750	-450
Mining	350	350	350	0	0
Construction	1,150	1,250	1,100	-100	50
Manufacturing	3,900	4,550	4,400	-650	-500
Durable Goods	1,950	2,250	2,450	-300	-500
Lumber & Wood Products	1,900	2,150	2,350	-250	-450
Nondurable Goods	1,950	2,300	1,950	-350	0
Seafood Processing	850	1,150	900	-300	-50
Pulp Mills	900	900	850	0	50
Service-producing	26,450	27,150	26,200	-700	250
Transportation	2,400	2,650	2,400	-250	0
Trade	5,400	5,400	5,200	0	200
Wholesale Trade	600	600	550	0	50
Retail Trade	4,800	4,800	4,650	0	150
Finance-Ins. & Real Estate	1,000	1,050	1,050	-50	-50
Services & Misc.	5,350	5,550	5,200	-200	150
Government	12,300	12,500	12,350	-200	-50
Federal	2,050	2,100	2,150	-50	-100
State	5,400	5,400	5,400	0	0
Local	4,850	5,000	4,800	-150	50

Gulf Coast Region

	Changes from:				
	p/ 11/91	r/ 10/91	11/90	10/91	11/90
Total Nonag. Wage & Salary	21,550	22,600	21,300	-1,050	250
Goods-producing	4,700	5,400	4,650	-700	50
Mining	1,150	1,200	1,150	-50	0
Construction	1,000	1,050	1,050	-50	-50
Manufacturing	2,550	3,150	2,450	-600	100
Seafood Processing	1,700	2,250	1,500	-550	200
Service-producing	16,850	17,200	16,650	-350	200
Transportation	1,900	2,000	1,850	-100	50
Trade	3,800	3,900	3,800	-100	0
Wholesale Trade	450	450	450	0	0
Retail Trade	3,350	3,450	3,350	-100	0
Finance-Ins. & Real Estate	650	650	650	0	0
Services & Misc.	4,450	4,550	4,450	-100	0
Government	6,050	6,100	5,900	-50	150
Federal	550	550	450	0	100
State	1,850	1,900	1,850	-50	0
Local	3,650	3,650	3,600	0	50

Northern Region

	Changes from:				
	p/ 11/91	r/ 10/91	11/90	10/91	11/90
Total Nonag. Wage & Salary	14,800	15,050	14,750	-250	50
Goods-producing	5,850	6,150	6,350	-300	-500
Mining	5,400	5,650	5,900	-250	-500
Service-producing	8,950	8,900	8,400	50	550
Government	4,600	4,700	4,450	-100	150
Federal	250	300	300	-50	-50
State	400	400	350	0	50
Local	3,950	4,000	3,800	-50	150

Southwest Region

	Changes from:				
	p/ 11/91	r/ 10/91	11/90	10/91	11/90
Total Nonag. Wage & Salary	15,150	14,650	13,900	500	1,250
Goods-producing	3,950	3,250	2,900	700	1,050
Seafood Processing	3,650	2,900	2,550	750	1,100
Service-producing	11,200	11,400	11,000	-200	200
Government	6,450	6,500	6,350	-50	100
Federal	1,300	1,300	1,300	0	0
State	550	550	550	0	0
Local	4,600	4,650	4,500	-50	100

Notes: Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear above are definitionally different from those that appear in the Labor Force table.

Benchmark: March 1990

p/ denotes preliminary estimates
r/ denotes revised estimates

Source: Alaska Department of Labor,
Research & Analysis Section.

Table • 3

Alaska Hours and Earnings for Selected Industries

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	p/ 11/91	r/ 10/91	11/90	p/ 11/91	r/ 10/91	11/90	p/ 11/91	r/ 10/91	11/90
Mining	\$1,139.40	\$1,116.34	\$1,174.64	48.3	48.6	49.5	\$23.59	\$22.97	\$23.73
Construction	1,020.82	1,133.31	1,040.17	43.2	46.6	43.0	23.63	24.32	24.19
Manufacturing	502.14	549.70	505.59	40.3	40.9	37.9	12.46	13.44	13.34
Seafood Processing	363.65	402.11	380.59	39.7	41.2	41.1	9.16	9.76	9.26
Trans., Comm. & Utilities	618.37	622.87	591.66	35.6	34.7	34.2	17.37	17.95	17.30
Trade	364.20	355.62	355.95	33.2	32.3	32.3	10.97	11.01	11.02
Wholesale	576.41	583.30	567.55	38.3	38.0	39.8	15.05	15.35	14.26
Retail	322.32	308.82	311.61	32.2	31.1	30.7	10.01	9.93	10.15
Finance-Ins. & R.E.	420.70	413.66	406.55	35.0	34.3	34.6	12.02	12.06	11.75

Notes:

p/ denotes preliminary estimates

r/ denotes revised estimates

Benchmark: March 1990

Averages are based on data for full- and part-time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

Source: Alaska Department of Labor, Research & Analysis Section.

Government employment showed an increase of nearly 2,500 jobs since last November, but a good portion of that should disappear as early as next month. For example, local government employment, particularly the noneducation portion, was bolstered by temporary employees hired to conduct local elections in October. Local government employment is expected to show significantly less growth in December when these temporary employees don't influence the employment counts. A good portion of the employment growth in state government is attributable to the University of Alaska. Indications, however, are that the bulk of the growth has come from part-time and student employees rather than growth in full-time positions.

That is not to say that all of the job growth in government is illusory. Federal government employment, particularly that associated with the military, continues to boost employment counts. Additional personnel in Alaska's local school districts brought on to handle bulging school enrollments should keep the education sector of local government employment up compared to last year.

The second largest source of employment growth compared to last November is the services sector. Services employment growth has slowed somewhat recently, but business services, medical services and engineering and

management services have continued to post employment gains. The hotel and motel sector and personal services portions of the industry have dropped off slightly.

Recession mindset affecting retailers?

The trade sector, particularly retail trade establishments, also posted some slight employment growth compared to last November. The opening of two large retail stores in Fairbanks in October continued the trend of slight expansion in the retail sector. November is traditionally the month when retailers who have large Christmas seasons add staff for the holidays. While November employment numbers are too early to gauge the relative strength of the Christmas season, newspaper accounts from Alaskan retailers reported being behind last year's relatively strong pace. One Juneau merchant reported that sales were off compared to last year due to the national recession as much as local economic circumstances. Due to the poor national economy, the marketing strategies of national chain stores included discounting merchandise for the holiday season. Last year discounts on merchandise during the Christmas rush were less prevalent for Alaskan retailers. The result is the "playing field" for the Christmas season was slightly different this year because of the mindset of national retailers.

Southwest seafood processing still adding jobs

The bottomfish industry in Southwest Alaska is the main reason why the manufacturing industry was able to post some job gains compared to last November. Bottomfish closures in the Kodiak area have idled some plants, but the Southwest region keeps posting employment gains.

Southwest crab processors breathed a sigh of relief in November when a week-long strike by crab fishermen over the price for tanner (bairdi) crab was settled. Prior to 1990, the bairdi opening was held in January, but it was moved to November so that the king crab and bairdi openings would be back-to-back. Processors could therefore avoid the cost of mobilizing for two different openings. Some processors and fisherman want the bairdi opening to return to January though because they feel the extra two months gives the crab time to fill out and become a more valuable product in the marketplace. One Dutch Harbor processor claimed that a shut down of the tanner season in November would have cost processors millions to recover.

November numbers show economy is weaker

Despite slight growth in nonagricultural wage and salary employment, indications are clear that Alaska's economy has weakened significantly. Unemployment in Alaska is up significantly from 1991 due to jobseekers coming from the Lower 48 to escape the recession and employment growth slowing down in many sectors of the economy.

Alaska's economy is entering some relatively uncharted waters. During the last 15 or so years, Alaska has generally experienced significant employment growth during periods when in-migration to Alaska has been high. Slow employment growth accompanied by in-migration is adding up to a much more competitive labor market for Alaskan jobseekers. In fact, the current labor market is probably the toughest for jobseekers since the recession of 1986-87.

Table • 4

Labor Force By Region and Census Area

	Labor Force			Unemployment			Rate %			Employment		
	p/ 11/91	r/ 10/91	11/90	p/ 11/91	r/ 10/91	11/90	p/ 11/91	r/ 10/91	11/90	p/ 11/91	r/ 10/91	11/90
Alaska Statewide	255,459	259,713	251,903	25,082	23,328	16,872	9.8	9.0	6.7	230,377	236,385	235,031
Anch.-MatSu Region	135,200	136,982	133,900	11,480	11,015	7,748	8.5	8.0	5.8	123,720	125,967	126,152
Munic. of Anchorage	118,155	119,686	118,006	8,887	8,618	6,008	7.5	7.2	5.1	109,268	111,068	111,998
MatSu Borough	17,045	17,296	15,894	2,593	2,397	1,740	15.2	13.9	10.9	14,452	14,899	14,154
Gulf Coast Region	28,452	29,131	27,319	4,559	3,870	2,572	16.0	13.3	9.4	23,893	25,261	24,747
Kenai Peninsula Borough	17,727	18,128	17,001	3,087	2,650	1,838	17.4	14.6	10.8	14,640	15,478	15,163
Kodiak Island Borough	6,533	6,718	6,113	955	820	335	14.6	12.2	5.5	5,578	5,898	5,778
Valdez-Cordova	4,192	4,285	4,205	517	400	399	12.3	9.3	9.5	3,675	3,885	3,806
Interior Region	36,550	37,114	35,168	4,206	3,893	3,071	11.5	10.5	8.7	32,344	33,221	32,097
Fairbanks North Star Bor.	31,531	31,972	30,339	3,486	3,167	2,508	11.1	9.9	8.3	28,045	28,805	27,831
Southeast Fairbanks	2,080	2,085	2,013	288	244	235	13.8	11.7	11.7	1,792	1,841	1,778
Yukon-Koyukuk	2,939	3,057	2,816	432	482	328	14.7	15.8	11.6	2,507	2,575	2,488
Northern Region	8,349	8,593	8,305	828	912	529	9.9	10.6	6.4	7,521	7,681	7,776
Nome	3,077	3,149	3,073	326	339	228	10.6	10.8	7.4	2,751	2,810	2,845
North Slope Borough	2,997	3,105	3,041	152	200	100	5.1	6.4	3.3	2,845	2,905	2,941
Northwest Arctic Borough	2,275	2,339	2,191	350	373	201	15.4	15.9	9.2	1,925	1,966	1,990
Southeast Region	34,225	35,376	34,855	3,306	2,908	2,296	9.7	8.2	6.6	30,919	32,468	32,559
Haines Borough	918	974	842	183	202	68	19.9	20.7	8.1	735	772	774
Juneau Borough	15,084	15,748	15,401	1,102	1,065	676	7.3	6.8	4.4	13,982	14,683	14,725
Ketchikan Gateway Bor.	6,426	6,562	6,509	696	545	475	10.8	8.3	7.3	5,730	6,017	6,034
Pr. of Wales-Outer Ketch.	2,692	2,792	2,652	412	398	251	15.3	14.3	9.5	2,280	2,394	2,401
Sitka Borough	3,982	4,074	4,136	340	249	301	8.5	6.1	7.3	3,642	3,825	3,835
Skagway-Yakutat-Angoon	1,634	1,679	1,724	210	184	225	12.9	11.0	13.1	1,424	1,495	1,499
Wrangell-Petersburg	3,489	3,547	3,591	363	265	300	10.4	7.5	8.4	3,126	3,282	3,291
Southwest Region	12,683	12,517	12,356	703	730	656	5.5	5.8	5.3	11,980	11,787	11,700
Aleutians East Borough	883	870	861	6	7	5	0.7	0.8	0.6	877	863	856
Aleutians West	2,483	2,446	2,427	26	29	27	1.0	1.2	1.1	2,457	2,417	2,400
Bethel	4,930	4,880	4,747	389	412	312	7.9	8.4	6.6	4,541	4,468	4,435
Bristol Bay Borough	499	488	473	36	32	21	7.2	6.6	4.4	463	456	452
Dillingham	2,217	2,206	2,233	48	72	114	2.2	3.3	5.1	2,169	2,134	2,119
Wade Hampton	1,671	1,627	1,615	198	178	177	11.8	10.9	11.0	1,473	1,449	1,438

Notes: p/ denotes preliminary estimates

r/ denotes revised estimates

Benchmark: March 1990

- Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey in formulas used to allocate federal funds.
- Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor.
- The official definition of unemployment currently in place excludes anyone who has made no attempt to find work in the four-week period up to and including the week that includes the 12th of each month. Most Alaska economists believe that Alaska's rural localities have proportionately more of these discouraged workers.
- The employment numbers that appear above are definitionally different from those that appear in the Nonagricultural Wage & Salary Employment tables.

Source: Alaska Department of Labor, Research & Analysis Section.



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ALASKA ECONOMIC

TRENDS

March 1992



1990 CENSUS BULLETIN

SLOW GROWTH,
HIGH UNEMPLOYMENT
CONCLUDE YEAR

HOW ALASKA COMPARES
TO OTHER OIL STATES

ALASKA DEPARTMENT OF LABOR
WALTER J. HICKEL, GOVERNOR

ALASKA ECONOMIC

TRENDS

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**UNEMPLOYMENT
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How Alaska Compares To Other Oil-Producing States

By Neal Fried

While much of the nation is mired in a recession, stories coming out of the oil-patch states are about economic recovery. Although these stories are generally positive, they don't ring with the self-confidence of the late 1970s and early 1980s. Instead they are cautious, measured and reserved. The economies of these states had their legs knocked out from under them more than once during the 1980s.

This article examines the nation's top oil-producing states and compares them with Alaska. These states are Texas, Louisiana, Oklahoma and Wyoming — all among the top six oil producers in the nation. California, the country's number four oil producer, will be left out of this discussion because oil represents only a minute part of its enormous economy. California is also a net importer of petroleum products. Unlike the other oil-producing states, its economy benefits from lower oil prices.

Alaska produces large quantity of oil with small work force

Alaska has been the nation's number two oil-producing state since 1979. Its oil industry employment, though, is dwarfed by most of the other oil-producing states. In 1990 Texas produced 8% more oil than Alaska but employed seventeen times as many oil and gas workers (See Figure 1). Oklahoma's oil production is one-sixth that of Alaska, but the state's oil and gas workers outnumber Alaska's 4 to 1. Measured as a productivity ratio, every oil worker in Louisiana produces 8,376 barrels of oil per year compared to an Alaskan oil worker's 63,109 barrels of oil (see Table 1).

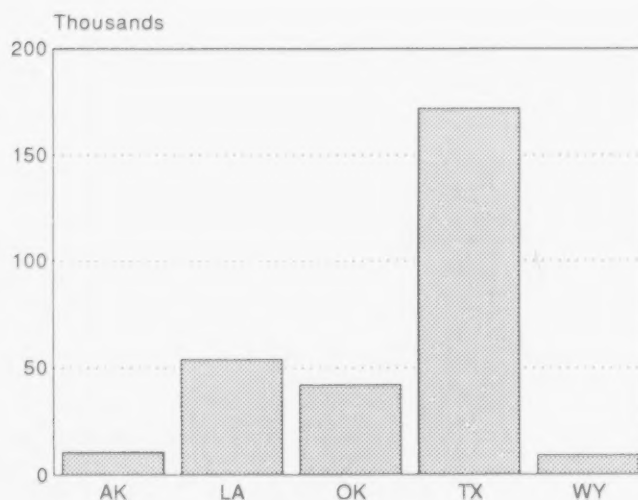
The reason for this remarkable contrast is Prudhoe Bay. Most of Alaska's oil comes from this single field. Prudhoe Bay is the nation's only super field. This incredibly productive field simply does not need a large work force to bring the oil to the surface. Other North Slope fields such as Endicott, Kuparuk and Lisburne rank among the nation's largest. Thousands of large, medium and small fields are producing oil in other states. More than 119,000 stripper wells were operating in Texas in 1989. A stripper well produces 10 barrels of crude oil or 60 Mcf of natural gas per day. In contrast, 1.3 million barrels of crude oil are produced at Prudhoe Bay each day. Not all of this difference, however, can be explained by the productivity of Alaska's oil fields.

Another reason for Alaska's smaller oil extraction work force is the state's relatively young age and frontier nature. Because Alaska is the youngest oil producer in the oil patch it has had much less time to develop an

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Figure • 1

Oil Industry Employment



Source: Petroleum Independent, September 1991.

extensive, broad-based oil industry. Oil exploration, extraction and transportation costs are much higher in Alaska than elsewhere in the oil-producing states (see Figure 2). These higher costs mean that only Alaska's larger oil prospects are worth exploiting. This, in turn, means they will be less labor intensive.

Alaska's relative youth in the oil industry also means it is less likely to be home to oil industry headquarters or regional centers. Although Alaska's oil production represents more than 96% of BP's U.S. production or 70% of ARCO's, their headquarters and regional facilities are elsewhere in the nation. This is also true for the vast majority of oil drilling and oil service companies in Alaska. Their Alaska work force exists strictly for oil activity in Alaska. Most of their other functions, whether corporate or research-related, take place elsewhere. Oil industry employees in the rest of the oil patch, particularly in Texas, do not just service local oil and gas operations. They also provide support to oil operations in the rest of the nation and the world.

Although Alaska's oil industry employment is considerably smaller than in most other oil-producing states (except Wyoming), it represents a larger share of the Alaska's total work force (see Table 1).

Alaska has smaller downstream industry, but larger public sector

Alaska not only has a much smaller oil and gas extraction work force than other states, but a smaller oil transportation work force, also. Although Alaska has an 800-mile pipeline, and a number of other smaller pipelines, it does not compare to the thousands of miles of pipelines that run through some of the other states (see Table 1).

Alaska also has a much smaller industry in downstream operations such as the production of refined petroleum products (see Figure 3 and Table 1). The explanation for this is simple. The markets for refined petroleum products are distant from Alaska, and it is usually more cost effective to ship crude oil long distances than refined petroleum products. Texas and Louisiana are much closer to the consuming markets. Also, a state as large as Texas has a large domestic market. Most of Alaska's downstream market services local demand. Only two facilities, both on the Kenai Peninsula, serve outside markets. These are Union Oil's ammonia fertilizer plant and Phillips-Marathon liquified natural gas (LNG) operation. Alaska's downstream facilities are still growing, but the distance to any large markets will continue to be a major constraint.

Nearly all the oil-producing states have sizable public sectors. Nationally, state or local governments employ 14% of the wage and salary work force. Texas, at 15%, is the only oil-producing state that comes close to the national level. Wyoming's public sector is the largest — state and local government employs 24% of its work force. Alaska falls in second place with 22%, followed by Oklahoma and Louisiana at 18%. One reason these states enjoy a larger public sector is that they have been able to raise substantial revenues from oil and other natural resources to fund their public sector.

Table • 1

Employment Statistics From the Oil Patch

	Barrels of Oil Produced Per Oil Industry Employee	Oil Extraction Employment	Oil Industry Employment As A Percent of Total Employment	Oil Refinery Employment	Oil Pipeline Employment
Alaska	63,109	10,257	4.3	303	1,095
Louisiana	8,376	53,700	3.4	10,475	1,015
Oklahoma	2,072	41,857	3.5	4,484	1,177
Texas	4,108	171,709	2.4	25,899	4,475
Wyoming	11,616	8,941	4.5	984	223

Sources: *Petroleum Independent*, September 1991; U.S. Department of Labor, Bureau of Labor Statistics.

Alaska had similarities and differences with the oil-producing states in the 1980s

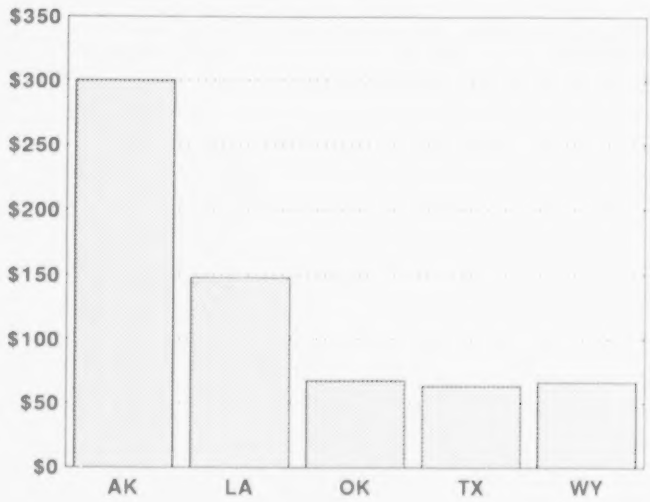
The oil industry in each of these oil-producing states had similar reactions to price increases and declines over the past decade. There were some distinct differences, also—particularly in Alaska's case. Growth of both total and oil industry employment was more impressive in Alaska than in any of its counterpart states. Even with the oil industry's severe contraction of 1986-1988, Alaska's economy averaged 3% annual employment growth from 1980-1991. Texas ranks second at 1.6%. In Oklahoma and Louisiana, total employment sustained no growth during the same period. Wyoming's economy actually lost ground. Why the differences?

As a result of the oil price hike in the late 1970s and early 1980s, employment and production grew in all the oil-producing states. With the exception of Alaska, the high water mark for most of the oil patch was in 1982 or 1983. The high oil prices of this era, along with the expectation of even higher prices, enticed many in the industry to develop fields that would be characterized as marginal at lower prices.

Beginning in 1982 or 1983 all of the producer states, with the exception of Alas-

Figure • 2

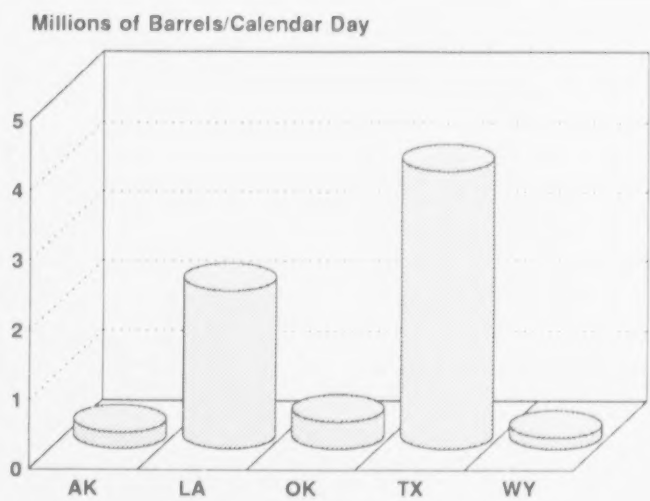
Average Drilling Cost Per Foot in 1989



Source: Joint Association Survey

Figure • 3

Crude Capacity of Refineries in 1990



Source: Oil & Gas Journal Data Book, 1991

ka, sustained sizable contractions in their oil industry and their economies. The oil industry in Texas lost 39,700 jobs in 1983. Oklahoma's oil industry decline began in 1983 and did not stop sliding until 1990. Although no collapse in oil prices occurred, the moderation in prices and, more importantly, the realization that oil prices were not going to soar to \$60/barrel caused this severe "correction" in the oil patch.

Conversely, Alaska's economy thrived in the early 1980s. In 1982 Alaska's employment grew by 7.9% — only outdone by 1981's growth rate of 9.5%. Alaska's economy moved through this period unscathed because a few large producers dominated its oil industry, producing from oil fields that were still very profitable at the more moderate prices. In addition, the state was awash in record oil revenues that brought on the economic boom of the early 1980s.

By 1983 or 1984 most of the other oil-producing states were beginning to recover. Then the price of oil dropped to record lows in 1986, and their economies were hammered again. This time, Alaska joined them.

The Crash of 1986

Alaska's oil industry employment declined less in the 1986 crash, but its economy was hit harder than the other states. From the beginning of the oil bust until the end in 1988 the relative and actual declines for the oil industry were varied. Oil industry employment in Alaska fell by 9%, in Texas by 34%, and in Wyoming by 37%. In actual declines, though, Wyoming's was 5,500 jobs while Texas suffered a loss of 85,500 jobs. Oil industry employment in Louisiana and Oklahoma fell by nearly a third.

The reason for Alaska's more moderate oil industry decline was because Alaska's oil fields were not marginal. Only one, Milne Point, was shut down. Also, Alaska's oil producers had the financial muscle to ride out these lower prices.

If we look at the overall impact of the oil bust on the various economies during this period, however, Alaska did not fare as well as some of the other states. Only Wyoming fared worse than Alaska — losing 18% of its total employment. Total employment in Alaska and Oklahoma fell by 9%. Although both Texas and Louisiana lost more jobs (147,000 and 108,000) Texas' total employment shrank by only 2% and Louisiana's by 7%. To put job losses in perspective, their more than 100,000-

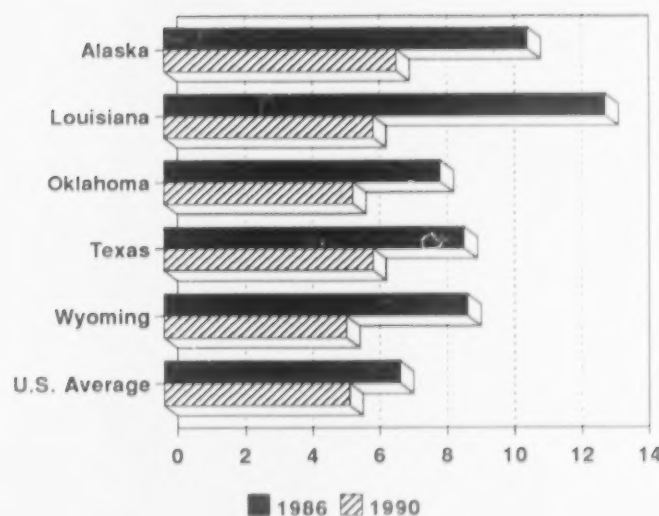
job loss is equivalent to about half of Alaska's entire work force. In concert with job losses, unemployment rates soared in the oil-producing states. Alaska reached a high of 10.8% in 1986 while Louisiana's climbed to 13.1% that same year (see Figure 4).

Unlike most of the other states, where employment losses were largest in the oil industry, Alaska's biggest losses were in construction and other industries. In three years construction in Alaska fell to half its former size. While the other states' construction industries also lost ground, their declines were more moderate.

Figure • 4

Source: U.S. Department of Labor, BLS

Unemployment Rates in the Oil Patch



Alaska's public sector losses were also greater, for two reasons. Alaska was much more dependent on oil revenues, and these oil revenues declined proportionately more in Alaska than in other states. In 1986 more than 70% of Alaska's revenues were from oil. None of the other oil-producing states depended on oil revenues for more than a third of their revenues. Then Alaska, so heavily dependent on oil revenues, saw that revenue fall by nearly half (\$1.5 billion) from state fiscal year 1986 to 1987.

The oil revenue shortfall was only part of the story. Speculative real estate and business activity got ahead of demand. In Alaska this activity was further extended partially because the state had not gone through the earlier economic contraction of 1982-1983. All the states were swamped with real estate and experienced massive bank failures.

Recovery in the oil-producing states is uneven

Rumblings of a recovery in the oil-producing states began in 1988. In all the states except Oklahoma oil employment began to grow. Oklahoma had to wait until 1990 before its oil industry employment turned the corner. Alaska's recovery was the most robust. By 1989 oil industry employment in Alaska reached a new high; to date, it is the only state to do so (see Figure 5).

By 1990 employment in the other oil-producing states had not reached their 1982-3 peak. Oil production was also down. There is a strong likelihood that none of these states ever will produce as much oil again. Except for Alaska and Texas, oil industry employment levels in the remaining oil states are still less than half their previous peak.

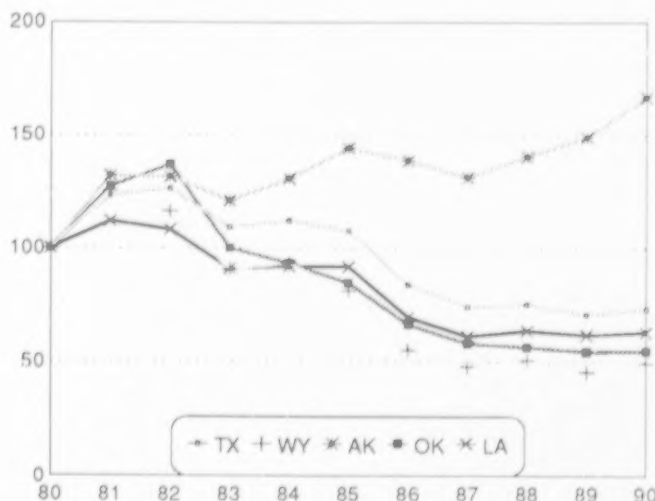
Alaska and Texas are the only two states of these

five that have larger economies today than at any time in the past (see Figure 6). By 1990, Alaska's total industry employment set a record high; Texas accomplished this in 1991. Also, the population in both states began to rebound in 1989. Alaska was able to move beyond its pre-bust levels not only because of the recovery in the oil prices, but also because of the expansion that took place in many of its other basic industries. These included state government, air transportation, timber, tourism and fishing.

Texas' economy, on the other hand, was able to grow in spite of its oil industry. Of all the oil-producing states, Texas has probably been the most successful at diversifying its economy. In 1981, 27% of the state's economic output came from the oil and gas industry. This compares to 15% in 1990. Texas' trend of diversification predated the oil bust. Texas successfully convinced many national corporations to move their headquarters to Dallas and Houston. Lots of inexpensive, high-quality real estate made Houston and Dallas attractive to these corporations. Texas has also made great strides in enticing high-tech firms and medical research facilities. In addition, Texas managed to expand its manufacturing sector — a real feat in today's economy.

Figure • 5

Oil Industry Employment in the Oil Patch



Source: Alaska Department of Labor, Research and Analysis Section

The road to economic recovery has been much more painful and less fruitful for Wyoming, Louisiana and Oklahoma. They have all made some economic strides forward, but their progress has been rather lackluster. Some of their improvement has come from a turnaround in the oil industry and some has come from other industries. For example, tourism in Louisiana has pumped new life into that state's economy. The unemployment rates in these three states have improved markedly from their bust levels. Part of this improvement, however, was through attrition — many of their unemployed left. Wyoming, Louisiana, and Oklahoma were still losing population in 1990.

Other states have weaned themselves from oil revenues

Prior to the oil bust all five of the oil-producing states were extremely dependent on their oil revenues to operate government. But this dependency declined radically for most of the states in the 1980s. In 1981, 28% of the Texas state budget came from oil — today it is 8% (see Table 1). This change was not a simple process. In

1985 Texas was looking at a \$2.9 billion deficit which later climbed to \$5.8 billion. In the early 1980's about 28% of Oklahoma's state revenues came from oil; today it is 6%. Louisiana's was 42% in 1982 and now it is 14%. In 1984 Wyoming received 39% of its revenues from oil. Today that number has dwindled to 23%. In spite of sinking oil revenues public sector employment in these states sustained no large losses. This was because they found new sources of revenues.

Alaska remains nearly as vulnerable today as it was a decade ago. If permanent fund earnings are excluded, more than 60% of state government revenues still come from oil. Even if permanent fund earnings were included, more than 55% of Alaska's state budget comes directly from oil revenues.

Summary

Since 1978 Alaska has been the nation's second largest oil-producing state, but it has one of the oil-producing states' smallest work forces. This is because of the incredible productivity of Prudhoe Bay and the North Slope's other large fields. It simply takes less manpower

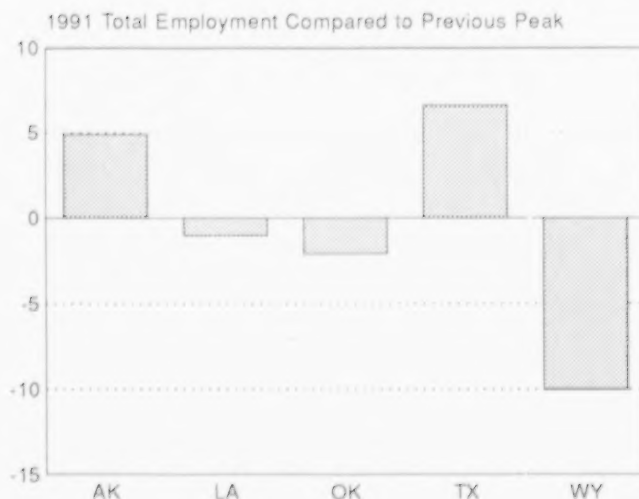
to extract oil from these large fields. Elsewhere in the oil-producing states, oil is extracted from literally thousands of fields of many different sizes. Other reasons such as Alaska's relative youth in the oil industry explains Alaska's much smaller oil industry work force.

Far fewer Alaskans are also employed in downstream oil operations than are their counterparts elsewhere in the nation. One explanation for Alaska's small presence in oil industry downstream operations can be explained by Alaska's distance from consumer markets. Generally, it is more

Figure • 6

Not All of the Oil Patch Has Recovered

Source: U.S. Department of Labor, BLS



economical to ship crude oil than refined products. The domination of Alaska's oil industry by a few producers and its relative youth may also help explain Alaska's underdeveloped downstream oil operations.

Alaska oil industry experience over the recent turbulent decade has been quite different from most of the other states. As a result of the dramatic run up in oil prices in the 1970s and early 1980s all the oil-producing states' economies grew quite dramatically. Beginning in 1982, their experience began to diverge. All but Alaska's economy went through a severe correction in 1982-1983 because oil prices moderated and expectations for much higher oil prices evaporated. Alaska's oil-producing states, on the other hand, moved through this period nearly unscathed. This is because of its domination by a few large producers, with considerable financial muscle, who produce from very profitable oil fields. In fact, Alaska's economy boomed while most of the other oil-producing states slid into a recession. By 1986, when most of these states' economies were beginning to recover, they were thrown back into a recession again because oil prices crashed.

Alaska was not able to dodge this downturn. Along with the rest of the oil-producing states, Alaska's economy went into a tailspin. Although Alaska's oil industry fared better than most of the other oil-producing states, its economy did not. Only one other oil-producing state's economy lost more ground during this oil induced

recession than Alaska, and that was Wyoming. However, unlike most of the other oil-producing states, Alaska's biggest losses were in construction, not oil.

Recovery in the oil-producing states began in 1988. By 1989 more people were employed in Alaska's oil-producing states than ever before. The same cannot be said for any of the other oil-producing states. None of their oil industry employment has come close to recovering from previous peak levels. Alaska's overall economic picture also fully recovered by 1990. This can only be said for one other oil-producing state -- Texas.

One area where Alaska did not fare as well as the rest of the states was in the area of oil revenue dependence. All the other oil-producing states successfully weaned themselves from oil as a major source of public sector revenues. Alaska's public sector and economy remains nearly as vulnerable to the vagaries of the oil industry as it did a decade ago.

Census Bulletin 1990

Census Maps Available

In addition to census data, the U.S. Census Bureau has maps for sale. This means data users will be able to match maps with census statistics and have a clearer picture of how the data are distributed geographically. The U.S. Census Bureau is generating map products from a computerized data base known as TIGER (Topologically Integrated Geographic Encoding and Reference System.)

The 1990 census maps of interest to Alaska data users are the County Block and Census Tract/Block Numbering Area maps. The County Block maps display block numbers, physical features, boundaries, names, and codes for legal and statistical entities in each census area/borough. These maps do not show voting district codes or boundaries. The Census Tract/Block Numbering Area maps show census tracts for Anchorage and Fairbanks North Star Borough and block numbering areas for all other areas in the state. They also display features and names underlying the boundaries and the names and boundaries for incorporated places and Alaska Native Village Statistical Areas (ANVSA).



Alaska State Data Center • P.O. Box 25504, Juneau, Alaska 99802-5504 • 465-4500/Fax 465-2101

The following table shows the cost of each census area/borough map and the number of map sheets per area. The census bureau charges \$5.00 per map sheet with a 4 to 6 week delivery time. The ASDC has arranged with two Alaska copying firms to provide map reproduction for \$11 per map sheet with a one week turnaround.

Borough/Census Area	County Block Maps			Tract/BNA Maps		
	# of Map Sheets	Census Bureau Cost (dollars)	Local Copying Cost (dollars)	# of Map Sheets	Census Bureau Cost (dollars)	Local Copying Cost (dollars)
Aleutians East Borough	13	\$ 65	\$ 143	1	\$ 5	\$ 11
Aleutians West C.A.*	47	235	517	4	20	44
Anchorage Municipality	26	130	286	2	10	22
Bethel C.A.	45	225	495	2	10	22
Bristol Bay Borough	3	15	33	1	5	11
Dillingham C.A.	13	65	143	1	5	11
Fairbanks N.S. Borough	77	385	847	2	10	22
Haines Borough	5	25	55	1	5	11
Juneau Borough	26	130	286	1	5	11
Kenai Peninsula Borough	66	330	726	2	10	22
Ketchikan Gateway Borough	8	40	88	1	5	11
Kodiak Island Borough	30	150	330	2	10	22
Lake & Peninsula Borough	19	95	209	1	5	11
Matanuska-Susitna Borough	124	620	1364	2	10	22
Nome C.A.	35	175	385	1	5	11
North Slope Borough	49	245	539	1	5	11
Northwest Arctic Borough	30	150	330	1	5	11
Pr. of Wales-Outer Ketch. C.A.	28	140	308	1	5	11
Sitka Borough	10	50	110	1	5	11
Skagway-Yakutat-Angoon C.A.	26	130	286	1	5	11
Southeast Fairbanks C.A.	28	140	308	1	5	11
Valdez-Cordova C.A.	41	205	451	1	5	11
Wade Hampton C.A.	20	100	220	1	5	11
Wrangell-Petersburg C.A.	13	65	143	1	5	11
Yukon-Koyukuk C.A.	107	535	1177	1	5	11

* C.A.= Census Area

Slow Growth, High Unemployment Conclude Year

By Neal Fried

Neal Fried is a labor economist with the Research & Analysis Section, Administrative Services Division, Alaska Department of Labor. He is based in Anchorage.

Alaska's unemployment rate climbed during most of 1991, and December was no exception. December's rate reached 10.1%, the highest rate since May 1988. The last time Alaska's December unemployment rate reached the double digit arena was in 1986, when it stood at 10.8%.

December was the fourth consecutive month of rising unemployment rates, not an unusual occurrence at this time of year. More than 6,000 additional Alaskans, however, were counted as unemployed compared to year-ago levels.

There was an unusually large jump in December in the number of unemployment insurance claimants who filed for unemployment benefits against wages earned elsewhere in the nation. This indicates that Alaska continues to be a mecca for many jobseekers who lost jobs elsewhere in the country (see Figure 1).

Because of Alaska's higher jobless rate it appears the state is duplicating the national economic picture, and there are some similarities. Unemployment rates in both Alaska and the nation increased significantly in 1991. Alaska's unemployment rate for all of 1991 was 8.2%, 1.2 points higher than 1990's level. The nation's annual unemployment rate of 6.7% was also 1.2 points

above 1990's level. In turn this meant finding a job in Alaska and elsewhere in the nation was much more difficult in 1991.

There is, however, one important distinction between Alaska and the nation — employment in Alaska was still growing in 1991, albeit slowly, and the nation's was not. This is an important distinction both qualitatively and quantitatively. With employment still growing, Alaska's labor market remains more fluid. Promotional opportunities still exist, people switch jobs, and the economy is creating a few new jobs. This means some jobseekers still have a chance of finding employment. In contrast, gridlock is the order of the day in many of the nation's labor markets. Employees tenaciously hold onto their jobs, and new opportunities are few and far between.

Table • 1

Nonagricultural Wage and Salary Employment by Place of Work — Alaska

		Changes from:				
		p/ 12/91	r/ 11/91	12/90	11/91	12/90
Notes: Prepared in cooperation with the U.S. Bureau of Labor Statistics.	Total Nonag. Wage & Salary	232,000	236,100	228,200	-4,100	3,800
	Goods-producing	31,500	34,100	31,400	-2,600	100
Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.	Mining	10,800	10,900	11,100	-100	-300
	Construction	8,900	10,100	9,000	-1,200	-100
The employment numbers that appear here are definitionally different from those that appear in the Labor Force table.	Manufacturing	11,800	13,100	11,300	-1,300	500
	Durable Goods	2,400	3,000	2,600	-600	-200
Benchmark: March 1990 p/ denotes preliminary estimates r/ denotes revised estimates	Lumber & Wood Products	1,700	2,200	1,900	-500	-200
	Nondurable Goods	9,400	10,100	8,700	-700	700
Source: Alaska Department of Labor, Research & Analysis Section.	Seafood Processing	5,500	6,200	4,900	-700	600
	Pulp Mills	900	900	900	0	0
	Service-producing	200,500	202,000	196,800	-1,500	3,700
	Transportation	20,500	20,800	19,700	-300	800
	Trucking & Warehousing	2,600	2,500	2,600	100	0
	Water Transportation	1,200	1,300	1,100	-100	100
	Air Transportation	6,600	6,600	6,300	0	300
	Communications	3,500	3,600	3,400	-100	100
	Trade	46,800	46,800	46,400	0	400
	Wholesale Trade	7,900	7,900	8,200	0	-300
	Retail Trade	38,900	38,900	38,200	0	700
	Gen. Merch. & Apparel	7,100	6,900	6,400	200	700
	Food Stores	6,900	6,800	6,600	100	300
	Eating & Drinking Places	12,400	12,600	12,700	-200	-300
	Finance-Ins. & Real Estate	10,200	10,200	10,200	0	0
	Services & Misc.	50,500	51,200	49,700	-700	800
	Hotels & Lodging Places	4,800	4,700	4,800	100	0
	Government	72,500	73,000	70,800	-500	1,700
	Federal	18,700	18,800	18,100	-100	600
	State	21,700	21,900	21,300	-200	400
	Local	32,100	32,300	31,400	-200	700

Higher unemployment rates shared by all regions

All of Alaska's regions saw higher over-the-year unemployment rates. In Southeast the rates were higher because of a soft timber industry and weak public sector. Southeast is only one of two regions where wage and salary employment has declined over-the-year. (See Figure 2.) The Gulf Coast region is the other. A poor bottomfish season, the closure of the timber mill in Seward and employment declines in the oil patch are major culprits in the Gulf Coast.

In the Northern region declines in hard rock mining and the oil industry contributed to a higher unemployment rate. In the Interior and Anchorage/MatSu regions the higher jobless rate came as a result of the broad slowdown in employment growth accompanied by a continued growth in jobseekers. Only the Southwest region's unemployment rate remained stable. Continuing strength in the bottomfish industry and military activity in the Aleutians kept this region's rates low and largely unchanged.

Unlike their national counterparts, Alaska's retailers did okay

Alaska's Christmas season was considerably better than the glum national picture. Nationally, retailers recorded the weakest Christmas season in decades. On the other hand, Alaska's retailers appeared content with their Christmas season. It was not a repeat of the robust 1990 season, but by retailers' accounts it was satisfactory. Although there are no up-to-date sales figures available for Alaska, retail employment provides some insight. Retail employment did bump up slightly in December, as retailers hired seasonal staff for the Christmas frenzy. Most of Fairbanks'

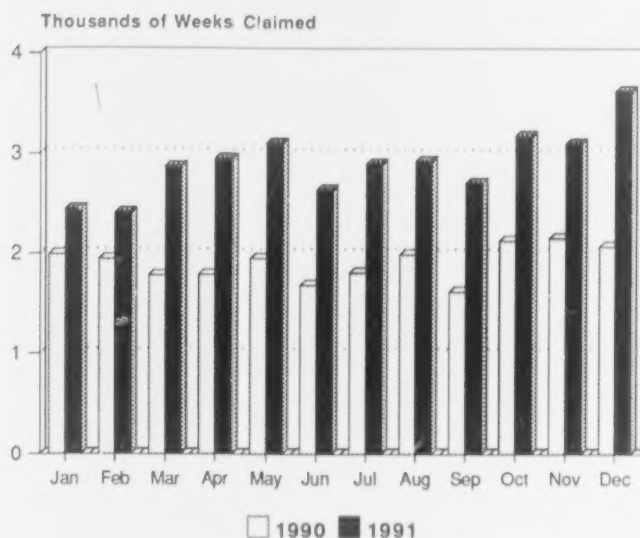
over-the-year growth rate of 5% in December was attributed to new retail stores in that city.

Not all segments of retail trade saw the year end on a positive note. In the car dealer category, over-the-year employment levels were down slightly in December. Generally speaking, car dealer activity is a good barometer of the economy because it's an indication of whether people are willing to purchase big ticket items. Apparently the slowdown in Alaska's economy is either pinching people's ability to purchase cars or causing people to delay their purchase because of worries about the economy.

Another weak spot in retail trade remains the eating and drinking sector. Some of these losses occurred because airline caterers were hit by the pullout of foreign passenger air carriers. Even after discounting for these losses, however, it remains a pretty lethargic industry. A change in demographics, competition, tastes or income may help explain it. Whatever the reasons, something has been putting a crimp on this industry's ability to grow — an industry that was one of the most dynamic in the 1970's and 1980's.

Figure • 1

Alaska Unemployment Claims On Out-of-State Wages Jump in 1991



Source: Alaska Department of Labor, Research and Analysis Section

Table • 2

Nonagricultural Wage and Salary Employment By Place of Work

Municipality of Anchorage

	Changes from:				
	p/ 12/91	r/ 11/91	12/90	11/91	12/90
Total Nonag. Wage & Salary	112,800	113,050	110,500	-250	2,300
Goods-producing	10,650	11,350	10,550	-700	100
Mining	3,650	3,500	3,750	150	-100
Construction	4,850	5,700	4,800	-850	50
Manufacturing	2,150	2,150	2,000	0	150
Service-producing	102,150	101,700	99,950	450	2,200
Transportation	11,400	11,300	10,700	100	700
Trucking & Warehousing	1,600	1,500	1,550	100	50
Water Transportation	300	300	250	0	50
Air Transportation	4,150	4,100	4,000	50	150
Communications	2,250	2,250	1,950	0	300
Trade	26,800	26,550	26,900	250	-100
Wholesale Trade	5,750	5,700	6,000	50	-250
Retail Trade	21,050	20,850	20,900	200	150
Gen. Merch. & Apparel	3,550	3,500	3,300	50	250
Food Stores	3,500	3,450	3,200	50	300
Eating & Drinking Places	7,650	7,500	7,850	150	-200
Finance-Ins. & Real Estate	6,600	6,600	6,500	0	100
Services & Misc.	29,450	29,550	28,850	-100	600
Hotels & Lodging Places	2,700	2,650	2,500	50	200
Government	27,900	27,700	27,000	200	900
Federal	10,600	10,400	10,350	200	250
State	8,200	8,300	8,100	-100	100
Local	9,100	9,000	8,550	100	550

Fairbanks North Star Borough

	Changes from:				
	p/ 12/91	r/ 11/91	12/90	11/91	12/90
Total Nonag. Wage & Salary	27,800	28,300	26,700	-500	1,100
Goods-producing	1,900	2,100	1,900	-200	0
Mining	150	150	100	0	50
Construction	1,200	1,400	1,250	-200	-50
Manufacturing	550	550	550	0	0
Service-producing	25,900	26,200	24,800	-300	1,100
Transportation	2,000	2,050	1,950	-50	50
Trucking & Warehousing	500	450	500	50	0
Air Transportation	450	450	450	0	0
Communications	300	300	300	0	0
Trade	6,550	6,600	5,900	-50	650
Wholesale Trade	750	750	750	0	0
Retail Trade	5,800	5,850	5,150	-50	650
Gen. Merch. & Apparel	1,050	1,000	650	50	400
Food Stores	800	850	800	-50	0
Eating & Drinking Places	1,850	1,900	1,850	-50	0
Finance-Ins. & Real Estate	750	750	750	0	0
Services & Misc.	6,150	6,300	6,050	-150	100
Government	10,450	10,500	10,150	-50	300
Federal	3,050	3,050	3,000	0	50
State	4,600	4,600	4,350	0	250
Local	2,800	2,850	2,800	-50	0

Anchorage-MatSu Region

	Changes from:				
	p/ 12/91	r/ 11/91	12/90	11/91	12/90
Total Nonag. Wage & Salary	120,550	120,850	117,950	-300	2,600
Goods-producing	11,200	11,850	11,300	-650	-100
Mining	3,800	3,650	3,950	150	-150
Construction	5,200	5,950	5,300	-750	-100
Manufacturing	2,200	2,250	2,050	-50	150
Service-producing	109,350	109,000	106,650	350	2,700
Transportation	12,050	12,000	11,400	50	650
Trade	28,700	28,450	28,700	250	0
Finance-Ins. & Real Estate	7,050	7,050	7,000	0	50
Services & Misc.	30,800	31,050	30,050	-250	750
Government	30,750	30,450	29,500	300	1,250
Federal	10,800	10,600	10,400	200	400
State	9,050	9,100	8,900	-50	150
Local	10,900	10,750	10,200	150	700

Interior Region

	Changes from:				
	p/ 12/91	r/ 11/91	12/90	11/91	12/90
Total Nonag. Wage & Salary	31,750	32,350	30,250	-600	1,500
Goods-producing	2,100	2,300	2,000	-200	100
Mining	250	300	200	-50	50
Construction	1,250	1,400	1,250	-150	0
Manufacturing	600	600	550	0	50
Service-producing	29,650	30,050	28,250	-400	1,400
Transportation	2,200	2,250	2,150	-50	50
Trade	7,000	7,000	6,300	0	700
Finance-Ins. & Real Estate	800	850	800	-50	0
Services	6,700	6,950	6,500	-250	200
Government	12,950	13,000	12,500	-50	450
Federal	3,700	3,700	3,600	0	100
State	4,850	4,850	4,600	0	250
Local	4,400	4,450	4,300	-50	100

Table • 2

Nonagricultural Wage and Salary Employment By Place of Work

Southeast Region

Gulf Coast Region

	Changes from:						Changes from:				
	p/ 12/91	r/ 11/91	12/90	11/91	12/90		p/ 12/91	r/ 11/91	12/90	11/91	12/90
Total Nonag. Wage & Salary	30,750	31,900	30,800	-1,150	-50	Total Nonag. Wage & Salary	20,650	21,400	20,950	-750	-300
Goods-producing	4,650	5,400	4,800	-750	-150	Goods-producing	4,100	4,600	4,350	-500	-250
Mining	350	350	350	0	0	Mining	1,100	1,150	1,100	-50	0
Construction	1,000	1,150	950	-150	50	Construction	900	950	950	-50	-50
Manufacturing	3,300	3,900	3,500	-600	-200	Manufacturing	2,100	2,500	2,300	-400	-200
Durable Goods	1,500	1,950	1,700	-450	-200	Seafood Processing	1,300	1,650	1,300	-350	0
Lumber & Wood Products	1,450	1,900	1,600	-450	-150	Service-producing	16,550	16,800	16,600	-250	-50
Nondurable Goods	1,800	1,950	1,800	-150	0	Transportation	1,850	1,900	1,850	-50	0
Seafood Processing	700	850	650	-150	50	Trade	3,700	3,800	3,700	-100	0
Pulp Mills	900	900	900	0	0	Wholesale Trade	450	450	450	0	0
Service-producing	26,100	26,500	26,000	-400	100	Retail Trade	3,250	3,350	3,250	-100	0
Transportation	2,350	2,400	2,300	-50	50	Finance-Ins. & Real Estate	650	650	600	0	50
Trade	5,350	5,350	5,200	0	150	Services & Misc.	4,400	4,400	4,500	0	-100
Wholesale Trade	600	600	550	0	50	Government	5,950	6,050	5,950	-100	0
Retail Trade	4,750	4,750	4,650	0	100	Federal	500	550	450	-50	50
Finance-Ins. & Real Estate	1,050	1,050	1,050	0	0	State	1,800	1,850	1,850	-50	-50
Services & Misc.	5,200	5,350	5,150	-150	50	Local	3,650	3,650	3,650	0	0
Government	12,150	12,350	12,300	-200	-150						
Federal	2,100	2,100	2,100	0	0						
State	5,200	5,400	5,300	-200	-100						
Local	4,850	4,850	4,900	0	-50						

Northern Region

Southwest Region

	Changes from:						Changes from:				
	p/ 12/91	r/ 11/91	12/90	11/91	12/90		p/ 12/91	r/ 11/91	12/90	11/91	12/90
Total Nonag. Wage & Salary	14,350	14,450	14,200	-100	150	Total Nonag. Wage & Salary	14,750	15,150	14,150	-400	600
Goods-producing	5,700	5,750	5,900	-50	-200	Goods-producing	3,750	3,950	3,250	-200	500
Mining	5,350	5,350	5,500	0	-150	Seafood Processing	3,500	3,650	2,950	-150	550
Service-producing	8,650	8,700	8,300	-50	350	Service-producing	11,000	11,200	10,900	-200	100
Government	4,550	4,550	4,300	0	250	Government	6,400	6,450	6,300	-50	100
Federal	250	250	250	0	0	Federal	1,350	1,300	1,300	50	50
State	350	350	350	0	0	State	550	550	550	0	0
Local	3,950	3,950	3,700	0	250	Local	4,500	4,600	4,450	-100	50

Notes: Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear above are definitionally different from those that appear in the Labor Force table.

Benchmark: March 1990

p/ denotes preliminary estimates
r/ denotes revised estimates

Source: Alaska Department of Labor,
Research & Analysis Section.

Mostly bad news in the oil patch

Over-the-year employment for the oil industry was down 2% in December, the sixth straight month of decline. This comes after three years of strong recovery and record employment levels. A number of recent announcements made by the industry, however, are more significant than this small decline in employment. Alyeska Pipeline Service Company announced they would begin cutting their operations over the next six years through attrition and early retirement. They also announced they would be closing down pump stations. The reason given for cutbacks was that less oil will be flowing through the pipeline, forcing cost reductions.

Atlantic Richfield and British Petroleum (part owners of the pipeline) also cited slowing production as the reason for their consolidation efforts. There are a growing number of strong signals in the oil patch that these reductions may be a long-term trend that is just now beginning. Another bit of bad news in the oil patch was Marathon Oil's announcement that it is shutting down

one of its offshore Cook Inlet platforms because of low production. This is the second Cook Inlet platform to be shut down in the last four months.

Good news for banking and air transportation

On the good news front, Alaska's financial institutions reported a healthy last quarter of the year and an all-around good year. Both of Alaska's largest banks, National Bank of Alaska and First National Bank of Anchorage, announced record profits for 1991. This is a sign the consolidation of the industry is complete and the industry is finally on solid ground after many turbulent years. Alaska's newest entrant into banking, Northrim Bank, announced its first quarterly profit since it opened the doors in late 1990.

Overall, air transportation employment was up 200 over-the-year in December. Throughout 1991 air transportation's employment has been positive. With the present expansion of Mark Air and Alaska Airlines into

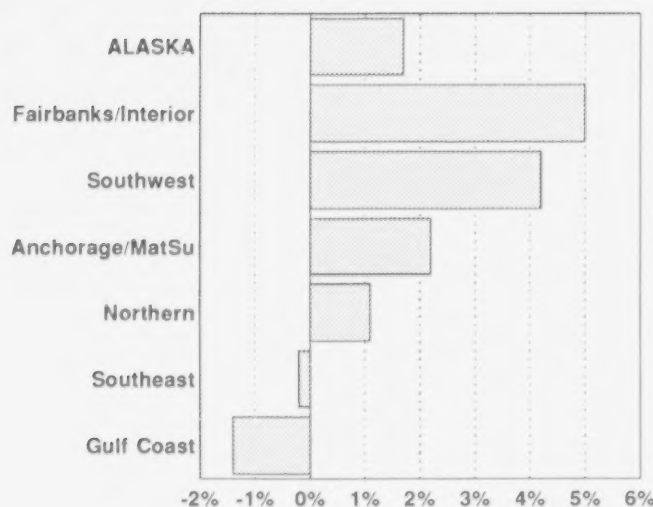
each other's markets, growth in the industry should continue in the near term. What permanent change this will bring is still to be seen.

After a year of largely bad news in the international air transportation scene because of the loss of passenger traffic, the picture is looking up for this segment of the industry. Air cargo traffic increased quite dramatically this year. Air freight in both Anchorage and Fairbanks was up in 1991. Air cargo landings were up 9.7% in Anchorage and total cargo freight was up 21% in Fairbanks from the last half of 1990 to the last half of 1991. This sector's prospects were further bolstered when Japan Airlines announced it would be stationing 180 cargo flight members in Anchorage beginning in the spring of

Figure • 2

Regional Picture Mixed at Year's End Change in Employment Dec. 1990 to Dec. 1991

Source: Alaska Department of Labor, Research and Analysis Section.



Alaska Hours and Earnings for Selected Industries

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	p/ 12/91	r/ 11/91	12/90	p/ 12/91	r/ 11/91	12/90	p/ 12/91	r/ 11/91	12/90
Mining	\$1,177.91	\$1,146.60	\$1,164.03	49.1	48.4	48.3	\$23.99	\$23.69	\$24.10
Construction	999.97	1,019.01	1,005.95	41.7	42.3	43.1	23.98	24.09	23.34
Manufacturing	487.49	504.66	487.12	41.0	40.6	37.1	11.89	12.43	13.13
Seafood Processing	399.61	364.51	332.70	44.9	40.1	36.4	8.90	9.09	9.14
Trans., Comm. & Utilities	673.20	636.06	633.19	36.0	35.2	36.1	18.70	18.07	17.54
Trade	361.80	353.91	368.68	33.5	33.2	33.7	10.80	10.66	10.94
Wholesale	620.98	576.41	591.84	40.8	38.3	41.1	15.22	15.05	14.40
Retail	309.76	311.05	321.96	32.0	32.3	32.1	9.68	9.63	10.03
Finance-Ins. & R.E.	419.58	417.55	416.80	35.2	35.0	35.9	11.92	11.93	11.61

Notes:

p/ denotes preliminary estimates
r/ denotes revised estimates
Benchmark: March 1990

Averages are based on data for full- and part-time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

Source: Alaska Department of Labor, Research & Analysis Section.

1992. With this new development, the expansion of Federal Express' air base, and other possible additions in the near future, new air cargo activity may more than make up for the loss of international passenger traffic.

Bottomfishing keeps Alaska's processors busy

Although employment in seafood processing fell in December, its over-the-year gain of 11.8% remained one of the largest of all Alaska's industries. Additional plant capacity brought on line early in 1991 in Dutch Harbor is largely responsible for this growth.

A recent federal court ruling on foreign trawlers could benefit shore-based processors. Without this ruling it appeared that last year's growth rate might moderate considerably in the coming year because of lower stock levels and shorter seasons.

Summary: Alaska's economy ends 1991 on a mixed note

The year ended with an economy that was still growing, but not fast enough to prevent sizable increases in unemployment. Alaska's unemployment rate hit double digits in December, the highest rate since 1988. As in the national job market, finding a job during the past year in Alaska has become a far more difficult task. Unlike elsewhere in the nation, however, prospects in Alaska

were slightly better since the economy was still growing.

Alaska's retailers termed this Christmas season average; but compared to the national picture, it was truly merry. Not all retailers, however, were rejoicing at the end of the year. The picture for car dealers weakened in 1991, indicating a softening economy.

News from the oil patch was not good. Although employment was down in December, that was not the worst news. Operators of the trans-Alaska pipeline announced they would be reducing their staff over the next six years. Their reason was the same given by the state's two largest producers when they planned consolidation activities -- production is beginning to decline so they must look for ways to reduce costs. These announcements could foreshadow a period of contraction in the oil industry for a number of years to come.

Expansion has been the case for the air transportation industry, which ended the year on a healthy note. After losing some ground when much of the international air passenger carriers left the state, air cargo activity has grown rapidly enough to perhaps more than fill this void.

The Alaskan economy ended the year on a mixed note for the first time in three years. If the present situation is any manifestation of the near future, it appears the picture will remain mixed.

Table • 4

Labor Force By Region and Census Area

	Labor Force			Unemployment			Rate %			Employment		
	p/ 12/91	r/ 11/91	12/90	p/ 12/91	r/ 11/91	12/90	p/ 12/91	r/ 11/91	12/90	p/ 12/91	r/ 11/91	12/90
Alaska Statewide	252,726	255,206	253,756	25,488	25,069	19,116	10.1	9.8	7.5	227,238	230,137	234,640
Anch.-MatSu Region	134,658	134,871	135,077	11,433	11,474	8,300	8.5	8.5	6.1	123,225	123,397	126,777
Munic. of Anchorage	117,772	117,960	119,059	8,635	8,880	6,398	7.3	7.5	5.4	109,137	109,080	112,661
MatSu Borough	16,886	16,911	16,018	2,798	2,594	1,902	16.6	15.3	11.9	14,088	14,317	14,116
Gulf Coast Region	27,513	28,358	27,707	4,538	4,553	3,143	16.5	16.1	11.3	22,975	23,805	24,564
Kenai Peninsula Borough	17,226	17,670	17,178	3,149	3,084	2,127	18.3	17.5	12.4	14,077	14,586	15,051
Kodiak Island Borough	6,263	6,511	6,274	899	953	539	14.4	14.6	8.6	5,364	5,558	5,735
Valdez-Cordova	4,024	4,177	4,255	490	516	477	12.2	12.4	11.2	3,534	3,661	3,778
Interior Region	36,166	36,631	35,504	4,240	4,205	3,468	11.7	11.5	9.8	31,926	32,426	32,036
Fairbanks North Star Bor.	31,217	31,601	30,576	3,535	3,485	2,798	11.3	11.0	9.2	27,682	28,116	27,778
Southeast Fairbanks	2,092	2,085	2,070	323	288	295	15.4	13.8	14.3	1,769	1,797	1,775
Yukon-Koyukuk	2,857	2,945	2,858	382	432	375	13.4	14.7	13.1	2,475	2,513	2,483
Northern Region	8,259	8,265	8,155	878	826	551	10.6	10.0	6.8	7,381	7,439	7,604
Nome	3,096	3,046	3,046	396	325	264	12.8	10.7	8.7	2,700	2,721	2,782
North Slope Borough	2,930	2,965	2,974	138	151	98	4.7	5.1	3.3	2,792	2,814	2,876
Northwest Arctic Borough	2,233	2,254	2,135	344	350	189	15.4	15.5	8.9	1,889	1,904	1,946
Southeast Region	33,653	34,314	34,640	3,714	3,307	2,972	11.0	9.6	8.6	29,939	31,007	31,668
Haines Borough	869	920	854	157	183	101	18.1	19.9	11.8	712	737	753
Juneau Borough	14,658	15,125	15,162	1,120	1,103	840	7.6	7.3	5.5	13,538	14,022	14,322
Ketchikan Gateway Bor.	6,396	6,442	6,567	848	696	698	13.3	10.8	10.6	5,548	5,746	5,869
Pr. of Wales-Outer Ketch.	2,665	2,699	2,679	457	412	344	17.1	15.3	12.8	2,208	2,287	2,335
Sitka Borough	3,884	3,992	4,017	357	340	287	9.2	8.5	7.1	3,527	3,652	3,730
Skagway-Yakutat-Angoon	1,665	1,638	1,738	286	210	280	17.2	12.8	16.1	1,379	1,428	1,458
Wrangell-Petersburg	3,516	3,498	3,623	489	363	422	13.9	10.4	11.6	3,027	3,135	3,201
Southwest Region	12,477	12,767	12,673	685	704	682	5.5	5.5	5.4	11,792	12,063	11,991
Aleutians East Borough	869	889	883	6	6	5	0.7	0.7	0.6	863	883	878
Aleutians West	2,439	2,500	2,481	21	26	22	0.9	1.0	0.9	2,418	2,474	2,459
Bethel	4,856	4,962	4,903	386	390	358	7.9	7.9	7.3	4,470	4,572	4,545
Bristol Bay Borough	499	502	498	43	36	34	8.6	7.2	6.8	456	466	464
Dillingham	2,176	2,232	2,285	41	48	114	1.9	2.2	5.0	2,135	2,184	2,171
Wade Hampton	1,638	1,682	1,623	188	198	149	11.5	11.8	9.2	1,450	1,484	1,474

Notes: p/ denotes preliminary estimates

r/ denotes revised estimates

Benchmark: March 1990

- Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey in formulas used to allocate federal funds.
- Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor.
- The official definition of unemployment currently in place excludes anyone who has made no attempt to find work in the four-week period up to and including the week that includes the 12th of each month. Most Alaska economists believe that Alaska's rural localities have proportionately more of these discouraged workers.
- The employment numbers that appear above are definitionally different from those that appear in the Nonagricultural Wage & Salary Employment tables.

Source: Alaska Department of Labor, Research & Analysis Section.

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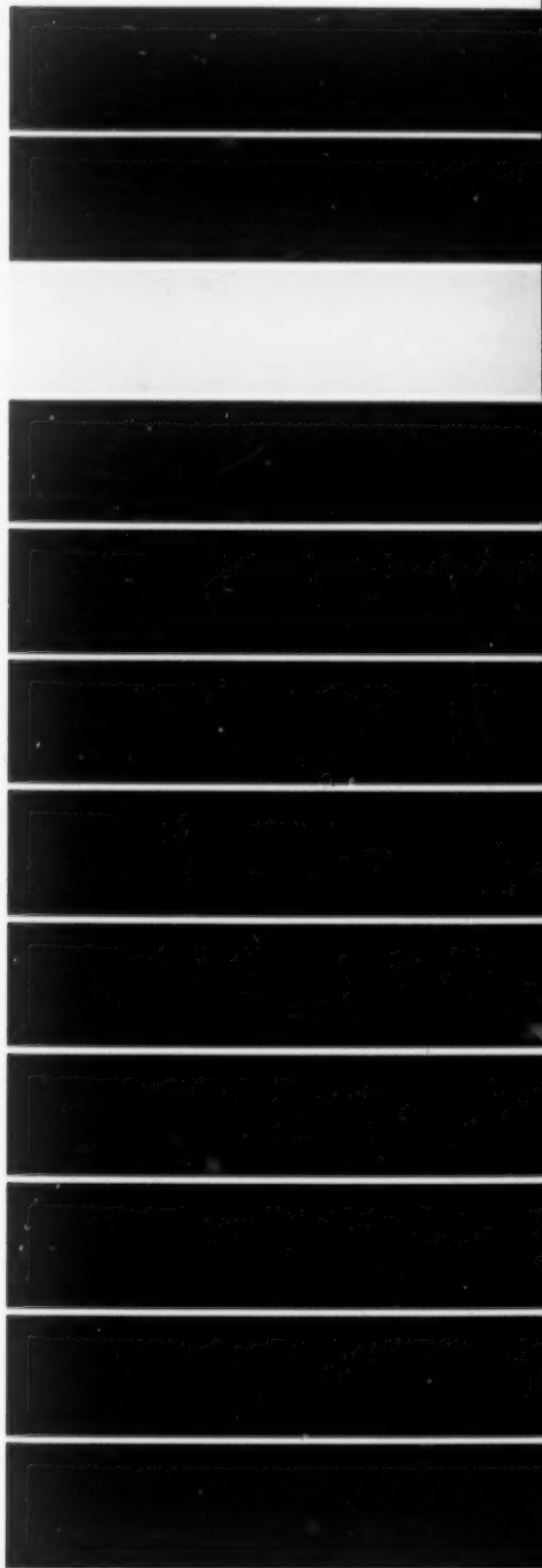
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ALASKA ECONOMIC TRENDS



April 1992

GENDER GAP: NO PROGRESS FOR ALASKA WOMEN

ON THE ANNUAL
BENCHMARK REVISION

EMPLOYMENT &
UNEMPLOYMENT GROW

ALASKA DEPARTMENT OF LABOR
WALTER J. HICKEL, GOVERNOR

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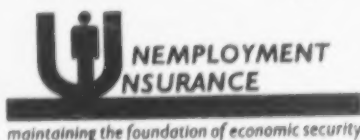
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Gender Gap: No Progress for Alaskan Women

by F. Terry Elder

Between 1988 and 1990, the income "gender gap" widened by 0.5% for Alaskan women. The ratio of female-to-male average wage income fell from 61.7% in 1988 to 61.2% in 1990¹. (See Table 1.) Although the sex distribution of employment and total wage income in 1990 was about the same as in 1988, the average wage income of men outpaced that of women.

Comparisons by age group

The sex distribution of employment by age group in 1990 showed the same pattern as in 1988². (See Figure 2.) Women account for a larger share of employment at younger age groups than at older age groups. This is due to the relatively rapid increase of female participation in the labor force in recent decades. Older age groups partially reflect labor force composition prior to the time women began to enter the labor market in ever-increasing numbers.

Note

¹A detailed comparison of male and female wage and salary employment and earnings using 1988 data is found in our August 1990 publication, *The Gender Gap*. The 1988 data base contained information on 244,020 people, and the 1990 data base covered 235,667 people. No conclusion should be drawn from this decline, since the data bases are constructed with data for individuals for whom the relevant information is known. As such, they are subsets of total employment, and increases or decreases do not imply commensurate increases or decreases in total employment. Given the size of the subsets, however, there is no reason to believe that the share of employment and the average annual wage income by sex are not true reflections of actual comparative performance of the sexes. Those are the key aspects dealt with in this article. For the readers' information, the U.S. Department of Commerce, Bureau of Economic Analysis reported 1990 total personal income for Alaska of \$11.96 billion, up 18.3% from 1988.

Between 1988 and 1990, the average annual wage income of both men and women rose for every age group except the oldest age groups. (See Figure 2 for 1990 income.) For men aged 65-74 and for men and women aged 75+, average wage income fell. This probably reflected the larger number of workers aged 65-74 in the 1990 data set and possibly some reduction in seasonal and part-time employment. Part-time employment is especially important for the youngest and oldest age groups of both sexes.

The pattern of wage income for age groups did not change from 1988. Peak average wage income for men occurred in the 45-49 year-old age group at \$41,600. The same age group for women earned a peak average of \$23,800. As in 1988, women earned less than men in every age group (See Figure 3.) The female-to-male

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Note

²Compared to the 1988 data set, the 19-24 year-old age group was the only age group in which women's share of employment declined. Their employment share of every other age group rose. The largest share increases, ranging from 1.2 percentage points to 1.5 percentage points, were in the 35-39, 45-49, and 55-59 year-old age groups.

Table • 1

Wage and Salary Employment and Earnings Alaska, 1988-1990

	1988	1990
Employment Distribution By Sex (%)		
Male	53.0	52.7
Female	47.0	47.3
Annual Wage Income Distribution By Sex (%)		
Male	64.6	64.5
Female	35.4	35.5
Average Annual Wage Income (\$)		
Male	24,232	27,655
Female	14,962	16,934
Total	19,877	22,580
Female/Male Wage Ratio (%)	61.7	61.2

Source: Alaska Department of Labor, Research and Analysis Section.

average wage income ratio declined in 8 out of 12 age groups between 1988 and 1990. Within the age groups 40-44, 45-49, 55-59 and 65-74 the gender gap narrowed.

Comparisons by occupation group

As in 1988, most occupation groups in 1990 were dominated by female or male workers (see figure 4)³. The average annual wage income of men rose in eight of nine occupation groups between 1988 and 1990 (see figure 5). In contrast, average wage income for women fell in six of nine occupation groups.

Unavailable data for some men and women, however, may have influenced this result. The average income of men for whom occupation data were available was higher (\$28,400) than income for all men. The average wage income of women for whom occupation data were available was lower (\$16,700) than income for all women. Therefore, occupation data were probably not available for more high-income women than for low-income women and for more low-income men than for high-income men.

With that caveat in mind, women earned less than men in every occupation group (see figure 6). The gender gap increased for every occupation group except Service Workers.

Comparisons by occupation

Not only were occupation groups male or female dominated, but individual occupations were, too. In the 100 largest occupations ranked by female employment, women made up 60.9% of employment compared to 47.3% of overall employment. (See Table 2, page 7.) The female-to-male wage income ratio was 73.5% compared to 61.2%. In contrast, in the 100 largest occupations ranked by male employment, women accounted for only 42.5% of employment. The female-to-male wage income ratio was only 54.8%. (See Table 3, page 10.)

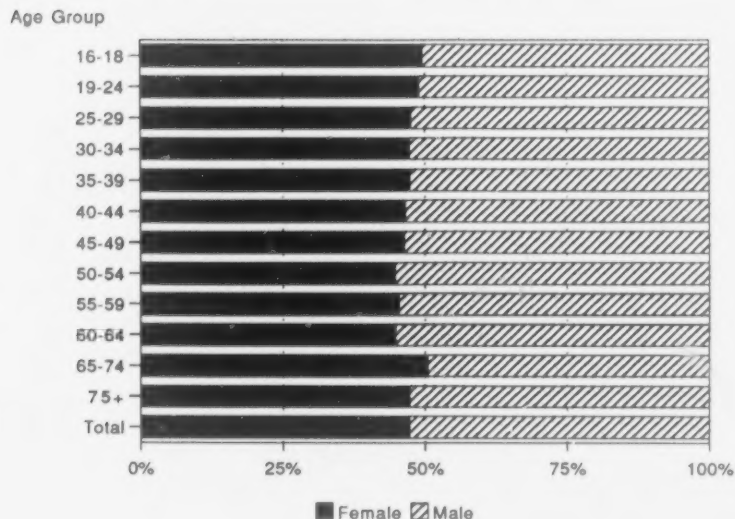
Women's average wage income exceeded men's average wage income in 12 of 100 occupations ranked by female employment, but only in 5 of 100 occupations ranked by male employment. These figures were similar to those in 1988. Little has changed during the two-year period to close the gap in employment and earnings

Figure • 1

Sex Distribution of Total Employment by Age Group — Alaska, 1990

Note: Data for 122,030 males and 109,763 females for whom age data are available.

Source: Alaska Department of Labor, Research & Analysis Section.



Note

³Since occupation data are not available for a large portion of female and male workers, conclusions should be tempered since they may be affected in unknown ways by the excluded data.

patterns between men and women.

Comparisons by Industry group

In 1990 as in 1988, women predominated in the finance/insurance/real estate, services, and local government sectors. Mining, oil and gas and construction were male-dominated industries. (See Figure 7.)

Oil and gas industry workers had the highest average wage income. (See Figure 8.) Other industry sectors with above-average income included mining, state government and transportation/communication/public utilities. Compared to 1988, the average wage income of both men and women rose in every industry sector except one*.

Note

*The exception was for male workers in the Nonclassified sector, which represented less than 1 percent of male employment.

Male & Female Average Annual Wage Income by Age Group — Alaska, 1990

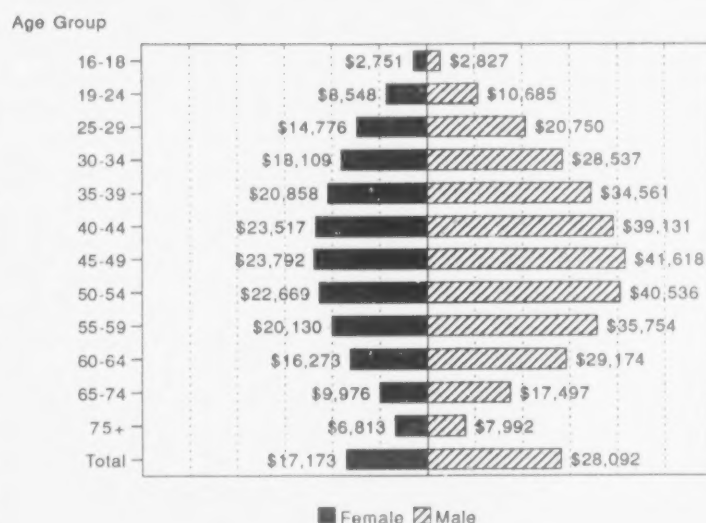
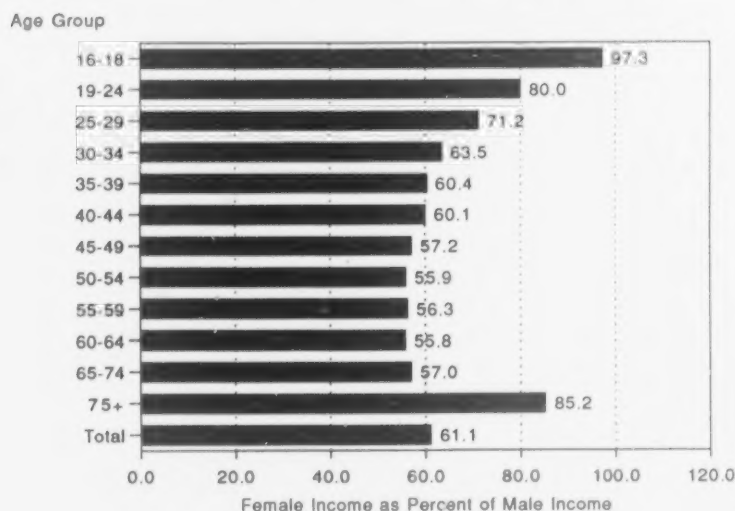


Figure • 2

Note: Data for 122,030 males and 109,763 females for whom age data are available.

Source: Alaska Department of Labor, Research & Analysis Section.

Female/Male Ratios of Private & Public Sector Average Annual Wage Income by Age, Alaska, 1990



Note: Data for 122,030 males and 109,763 females for whom age data are available.

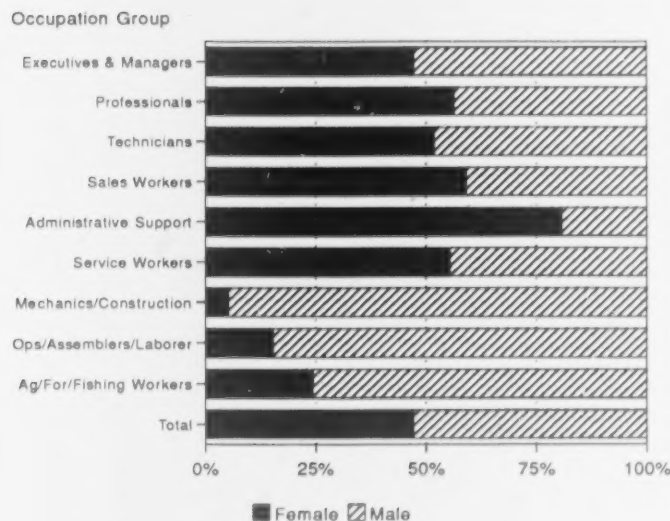
Source: Alaska Department of Labor, Research & Analysis Section.

Figure • 4

Sex Distribution of Total Employment by Occupation Group — Alaska, 1990

Note: Data for 82,134 males and 73,224 females for whom occupation data are available.

Source: Alaska Department of Labor, Research & Analysis Section.



In 1990, as in 1988, women earned less than men in every industry. (See Figure 9.) Overall, they earned 61.2% of male income in 1990 compared to 61.7% in 1988. Working women lost ground over the two-year period in both the private and the public sectors. In the private sector, the gap widened by 0.4% as women earned 55.7% of male income in 1990 compared to 56.1% in 1988. In the public sector, they earned 70.7% compared to 71.4%, an increased gap of 0.7%. The female-to-male wage income ratio fell in 8 of 14 industry groups. Mining, food manufacturing, wholesale trade, finance/insurance/real estate, nonclassified and local government showed an increase.

Women really haven't come a long way

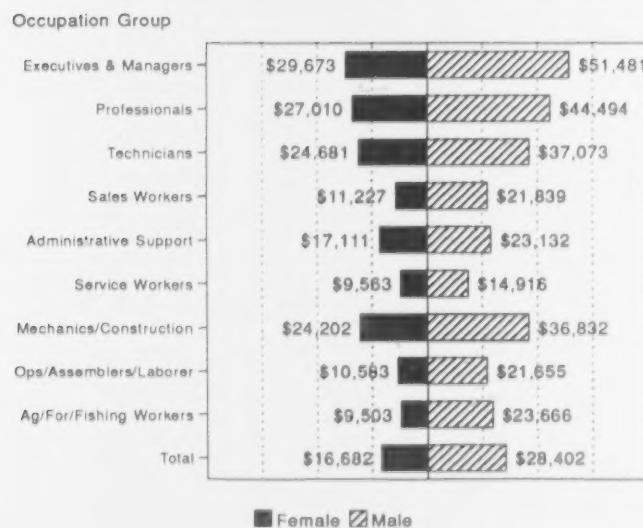
There is no doubt that women increased their share of employment dra-

Figure • 5

Male & Female Average Annual Wage Income by Occupation Group — Alaska, 1990

Note: Data for 82,134 males and 73,224 females for whom occupation data are available.

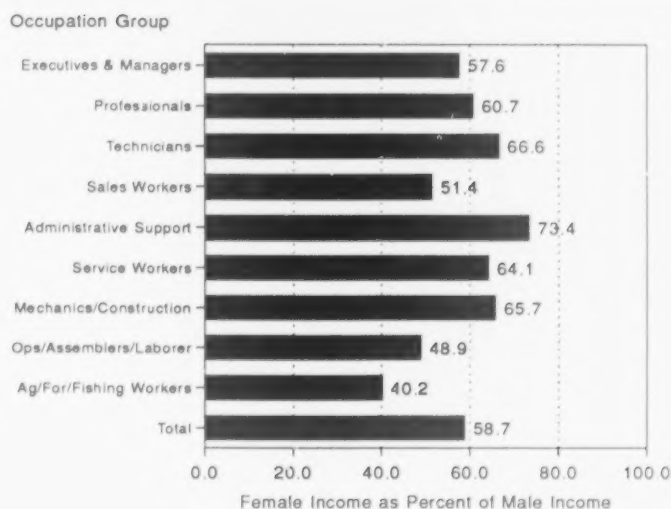
Source: Alaska Department of Labor, Research & Analysis Section.



matically in recent decades. State economic and demographic forecasters predict women will continue to increase their share of the labor market in the foreseeable future. On the other hand, the occupational and industry employment patterns of men and women differ markedly. The most dramatic difference is that women generally earn less than men.

In Alaska between 1988 and 1990, little or no progress is evident in balancing the employment and income patterns of men and women. As a result, occupations and industries continue to be male or female dominated. And the ratio of female-to-male wage income actually has declined.

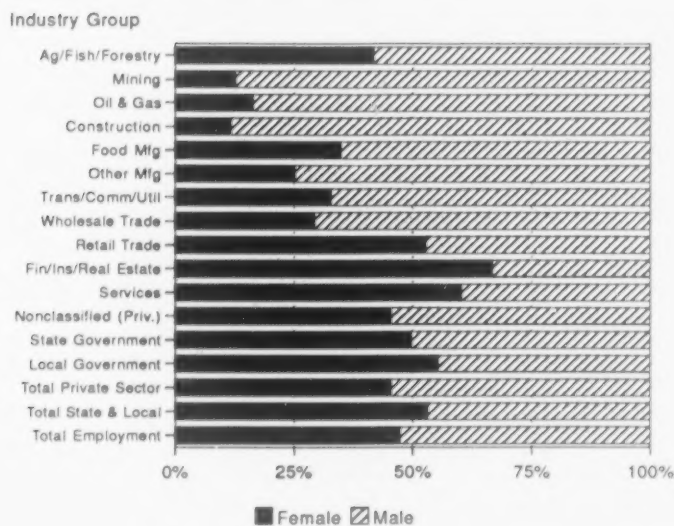
Female/Male Ratios of Private & Public Sector Average Annual Wage Income by Occupation Group, Alaska, 1990



Note: Data for 82,134 males and 73,224 females for whom occupation data are available.

Source: Alaska Department of Labor, Research & Analysis Section.

Sex Distribution of Total Employment by Industry Group — Alaska, 1990



Note: Data for 124,121 males and 111,546 females.

Source: Alaska Department of Labor, Research & Analysis Section.

Figure • 8

Male & Female Average Annual Wage Income by Industry Group — Alaska, 1990

Note: Data for 124,121 males and 111,546 females.

Source: Alaska Department of Labor, Research & Analysis Section.

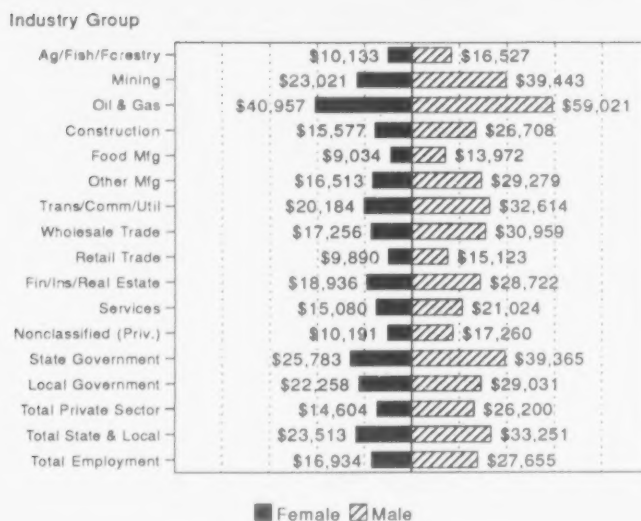
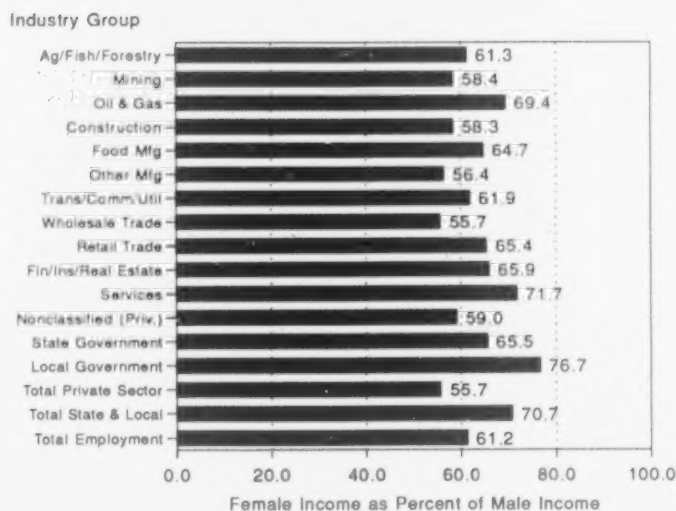


Figure • 9

Female/Male Ratios of Private & Public Sector Average Annual Wage Income by Industry Group, Alaska, 1990

Note: Data for 124,121 males and 111,546 females.

Source: Alaska Department of Labor, Research & Analysis Section.



T a b l e 2

100 Occupations With the Largest Employment Ranked by Female Employment — Alaska, 1990

Occupational Title	Employment			Average Annual Wage Income		
	Male	Female	% Female	Male	Female	Female/ Male Ratio
General Office Occupations	1,168	5,319	82.0	17,924	13,429	74.9
Sales Clerks	1,562	3,931	71.6	11,864	8,735	73.6
Secretaries	130	3,858	96.7	20,630	21,202	102.8
Bookkeeping and Accounting and Auditing Clerks	281	2,731	90.7	22,573	19,895	88.1
Waiters and Waitresses	518	2,697	83.9	8,926	7,356	82.4
Teacher Aides	469	2,041	81.3	14,050	11,262	80.2
Receptionists	93	1,725	94.9	10,873	13,096	120.4
Cashiers	504	1,586	75.9	11,329	10,578	93.4
Janitors and Cleaners	2,803	1,521	35.2	13,039	11,550	88.6
Child Care Workers, Except Private Household	196	1,475	88.3	11,739	7,448	63.4
Kitchen Workers, Food Preparation	1,088	1,347	55.3	11,304	9,992	88.4
Miscellaneous Food and Beverage Preparation Occupations	1,565	1,280	45.0	6,817	7,385	108.3
Elementary School Teachers	395	1,260	76.1	36,672	33,352	90.9
Counter Clerks	981	1,252	56.1	12,183	7,854	64.5
Registered Nurses	65	1,251	95.1	34,630	27,165	78.4
Management Related Occupations, NEC	806	1,179	59.4	45,902	26,024	56.7
Maids and Housemen	256	1,150	81.8	11,824	8,300	70.2
Food Counter, Fountain and Related Occupations	524	1,050	66.7	5,142	5,065	98.5
Bartenders	457	888	66.0	12,774	11,135	87.2
Adult Education and Other Teachers, NEC	512	865	62.8	22,120	16,200	73.2
Cooks, Except Short Order	1,223	861	41.3	15,132	10,426	68.9
Administrative Support Occupations, Including Clerical	150	814	84.4	35,688	17,944	50.3
Managers: Administrative Services	482	790	62.1	47,103	28,915	61.4
Miscellaneous Hand Working Occupations	1,043	789	43.1	9,292	6,794	73.1
Manual Occupations, NEC	3,080	753	19.6	12,250	8,458	69.0
Teachers: College, University and Other Postsecondary	992	726	42.3	36,937	24,472	66.3
General Managers and Other Top Executives	1,448	720	33.2	59,176	30,989	52.4
Reservation Agents and Transportation Ticket Clerks	158	673	81.0	22,300	16,810	75.4
Accountants and Auditors	351	617	63.7	48,451	35,407	73.1
Salespersons: Garments and Textile Products	89	602	87.1	12,481	10,292	82.5
Secondary School Teachers	549	593	51.9	41,078	31,744	77.3
Bank Tellers	35	589	94.4	11,939	12,374	103.6
Personal Service Occupations, NEC	315	576	64.6	14,884	11,626	78.1
Short-order Cooks	660	562	46.0	6,525	5,132	78.6
Social Workers	201	535	72.7	23,521	18,801	79.9
Health Aides, Except Nursing	56	526	90.4	18,585	15,987	86.0
Supervisors: General Office Occupations	147	490	76.9	45,310	28,753	63.5
Attendants, Amusement and Recreation Facilities	534	453	45.9	6,708	6,461	96.3
File Clerks	75	424	85.0	11,269	11,521	102.2

Table • 2 (cont.)

100 Occupations With the Largest Employment Ranked by Female Employment — Alaska, 1990

Occupational Title	Employment			Average Annual Wage Income		
	Male	Female	% Female	Male	Female	Female/ Male Ratio
Salespersons: NEC	663	409	38.2	33,631	15,455	46.0
Stock and Inventory Clerks	933	408	30.4	22,023	12,636	57.4
Hairdressers and Cosmetologists	29	399	93.2	11,480	10,821	94.3
Inspectors and Compliance Officers, Except Construction	256	382	59.9	31,734	15,708	49.5
Nursing Aides, Orderlies, and Attendants	62	381	86.0	17,544	15,378	87.7
Data Entry Keyers	82	377	82.1	20,426	16,206	79.3
Dental Assistants	11	358	97.0	22,140	16,512	74.6
Health Technologists and Technicians, NEC	155	346	69.1	31,808	19,525	61.4
Telephone Operators	43	340	88.8	21,607	22,051	102.1
Supervisors: Food and Beverage Preparation and Service	232	323	58.2	23,911	15,557	65.1
Typists	20	309	93.9	13,978	15,388	110.1
Bus Drivers	480	298	38.3	17,104	10,176	59.5
Library Clerks	48	292	85.9	9,557	13,789	144.3
Billing Clerks	20	286	93.5	22,628	19,491	86.1
Prekindergarten and Kindergarten Teachers	11	284	96.3	22,901	20,148	88.0
Teachers, Ex Postsecondary	123	283	69.7	42,860	30,745	71.7
Welfare Service Aides	56	281	83.4	3,246	5,486	169.0
Dispatchers	188	280	59.8	31,709	17,927	56.5
Supervisors: Sales Occupations, Retail	377	277	42.4	36,986	21,092	57.0
Teachers: Special Education	83	271	76.6	44,906	40,856	91.0
Stock Handlers and Baggers	956	264	21.6	13,673	7,520	55.0
Recreation Workers	198	264	57.1	12,330	10,044	81.5
Payroll and Timekeeping Clerks	27	262	90.7	29,146	22,949	78.7
Construction Laborers	2,722	261	8.7	19,552	11,245	57.5
Officials and Administrators: Other, NEC	355	252	41.5	47,594	32,849	69.0
Record Clerks, NEC	37	247	87.0	24,199	21,838	90.2
Sales Occupations: Services, NEC	136	236	63.4	17,497	15,085	86.2
Librarians	27	227	89.4	33,528	29,660	88.5
Vocational and Educational Counselors	134	224	62.6	35,815	28,318	79.1
Licensed Practical Nurses	14	222	94.1	23,037	22,103	95.9
Computer Operators	153	221	59.1	29,925	24,444	81.7
Financial Managers	226	218	49.1	66,524	44,535	66.9
Bill and Account Collectors	44	212	82.8	23,113	21,454	92.8
Legal Technicians	58	206	78.0	26,545	29,247	110.2
Order Clerks	64	204	76.1	26,227	20,635	78.7
Waiters'/waitresses' Assistants	257	201	43.9	7,305	5,251	71.9
Billing, Posting, and Calculating Machine Operators	19	198	91.2	26,148	20,673	79.1
Managers: Food Serving and Lodging Establishments	200	194	49.2	25,897	17,470	67.5
Public Transportation Attendants	32	178	84.8	22,509	18,173	80.7

Table 2 (cont.)

100 Occupations With the Largest Employment Ranked by Female Employment — Alaska, 1990

Occupational Title	Employment			Average Annual Wage Income		
	Male	Female	% Female	Male	Female	Female/ Male Ratio
Dental Hygienists	8	177	95.7	NA	26,173	NA
Hand Cutting and Trimming Occupations	435	175	28.7	9,292	7,629	82.1
Business Service, Except Advertising, Sales Occupations	170	167	49.6	40,749	23,855	58.5
Personnel, Training, and Labor Relations Specialist	112	159	58.7	47,222	29,955	63.4
Truck Drivers, Light (Including Delivery and Route)	1,343	155	10.3	20,264	11,110	54.8
Supervisors: Financial Record Processing Occupations	26	153	85.5	45,796	31,229	68.2
Managers: Medicine and Health	76	151	66.5	47,807	37,958	79.4
Guards and Police, Except Public Service	934	143	13.3	24,192	16,979	70.2
Advertising and Related Sales Occupations	89	141	61.3	27,180	27,229	100.2
Insurance Adjusters, Examiners, and Investigators	76	138	64.5	49,514	32,061	64.8
Designers	65	136	67.7	37,184	16,283	43.8
Managers: Marketing, Advertising, and Public Relations	244	135	35.6	51,075	33,569	65.7
Technicians, NEC	187	134	41.7	29,447	19,089	64.8
Clinical Laboratory Technologists and Technicians	28	127	81.9	34,891	26,799	76.8
Freight, Stock, and Material Movers, NEC	1,219	125	9.3	20,171	15,367	76.2
Managers: Property and Leasing	94	125	57.1	38,737	20,499	52.9
Science Technologists and Technicians, NEC	114	122	51.7	23,690	20,896	88.2
Education Teachers	100	122	55.0	43,752	41,283	94.4
Lawyers	266	120	31.1	64,618	46,504	72.0
Traffic, Shipping, and Receiving Clerks	297	112	27.4	23,571	20,507	87.0
Officials and Administrators, Public Administration	46	112	70.9	28,318	8,694	30.7
Demonstrators, Promoters, and Models	34	111	76.6	13,059	8,897	68.1
Personnel Clerks, Except Payroll and Timekeeping	7	106	93.8	NA	24,594	NA
Total Top 100	41,462	64,520	60.9	21,609	15,872	73.5
Total	124,121	111,546	47.3	27,655	16,934	61.2

Note: Shaded areas highlight occupations in which female average wage income equals or exceeds male average wage income. These data cover 4-digit Standard Occupational Code (SOC) occupations for people who reported both income and 4-digit occupational codes. Employment is defined as the number of workers who worked in an occupation at any time during the year. Workers, who worked in more than one occupation, are assigned to the occupation in which they earned the majority of their annual wage income. Average wage income is not disclosed for occupations with male or female employment of less than eleven workers. NEC means "not elsewhere classified".

Source: Alaska Department of Labor, Research and Analysis Section.

**100 Occupations With the Largest Employment Ranked by
Male Employment — Alaska, 1990**

Occupational Title	Employment			Average Annual Wage Income		
	Male	Female	% Female	Male	Female	Female/ Male Ratio
Manual Occupations, NEC	3,080	753	19.6	12,250	8,458	69.0
Janitors and Cleaners	2,803	1,521	35.2	13,039	11,550	88.6
Construction Laborers	2,722	261	8.7	19,552	11,245	57.5
Carpenters	1,939	53	2.7	21,221	13,887	65.4
Miscellaneous Food and Beverage Preparation Occupations	1,565	1,280	45.0	6,817	7,385	108.3
Sales Clerks	1,562	3,931	71.6	11,864	8,735	73.6
General Managers and Other Top Executives	1,448	720	33.2	59,176	30,989	52.4
Truck Drivers, Light (Including Delivery and Route)	1,343	155	10.3	20,264	11,110	54.8
Mechanics and Repairers, NEC	1,255	66	5.0	36,373	22,958	63.1
Cooks, Except Short Order	1,223	861	41.3	15,132	10,426	68.9
Freight, Stock, and Material Movers, NEC	1,219	125	9.3	20,171	15,367	76.2
General Office Occupations	1,168	5,319	82.0	17,924	13,429	74.9
Kitchen Workers, Food Preparation	1,088	1,347	55.3	11,304	9,992	88.4
Automobile Mechanics	1,084	17	1.5	27,745	22,736	81.9
Electricians	1,069	31	2.8	39,331	24,019	61.1
Miscellaneous Hand Working Occupations	1,043	789	43.1	9,292	6,794	73.1
Truck Drivers, Heavy	1,029	35	3.3	30,043	21,021	70.0
Teachers: College, University and Other Postsecondary	992	726	42.3	36,937	24,472	66.3
Counter Clerks	981	1,252	56.1	12,183	7,854	64.5
Stock Handlers and Baggers	956	264	21.6	13,673	7,520	55.0
Guards and Police, Except Public Service	934	143	13.3	24,192	16,979	70.2
Stock and Inventory Clerks	933	408	30.4	22,023	12,636	57.4
Operating Engineers	839	83	9.0	36,507	30,512	83.6
Airplane Pilots and Navigators	812	18	2.2	40,053	29,728	74.2
Management Related Occupations, NEC	806	1,179	59.4	45,902	26,024	56.7
Heavy Equipment Mechanics	774	7	0.9	42,427	NA	NA
Plumbers, Pipefitters and Steamfitters	751	17	2.2	36,327	28,185	77.6
Stevedores	707	48	6.4	13,751	6,631	48.2
Garage and Service Station Related Occupations	667	62	8.5	12,354	7,211	58.4
Salespersons: NEC	663	409	38.2	33,631	15,455	46.0
Short-order Cooks	660	562	46.0	6,525	5,132	78.6
Machinery Maintenance Occupations	652	18	2.7	38,283	38,350	100.2
Supervisors: Mechanics and Repairers	612	29	4.5	52,609	49,230	93.6
Police and Detectives, Public Service	599	55	8.4	41,744	40,895	98.0
Extractive Occupations, NEC	588	23	3.8	39,144	29,068	74.3
Communications Equipment Repairers	583	67	10.3	53,070	36,711	69.2
Secondary School Teachers	549	593	51.9	41,078	31,744	77.3
Attendants, Amusement and Recreation Facilities	534	453	45.9	6,708	6,461	96.3
Food Counter, Fountain and Related Occupations	524	1,050	66.7	5,142	5,065	98.5
Waiters and Waitresses	518	2,697	83.9	8,926	7,356	82.4
Adult Education and Other Teachers, NEC	512	865	62.8	22,120	16,200	73.2

Table • 3 (cont.)

100 Occupations With the Largest Employment Ranked by Male Employment — Alaska, 1990

Occupational Title	Employment			Average Annual Wage Income		
	Male	Female	% Female	Male	Female	Female/ Male Ratio
Cashiers	504	1,586	75.9	11,329	10,578	93.4
Painters (Construction and Maintenance)	492	17	3.3	22,656	8,320	36.7
Welders and Cutters	492	4	0.8	34,996	NA	NA
Managers: Administrative Services	482	790	62.1	47,103	28,915	61.4
Bus Drivers	480	298	38.3	17,104	10,176	59.5
Petroleum Plant Operators	478	25	5.0	76,440	68,032	89.0
Vehicle Washers and Equipment Cleaners	471	67	12.5	12,347	10,385	84.1
Teacher Aides	469	2,041	81.3	14,050	11,262	80.2
Excavating and Loading Machine Operators	460	13	2.7	37,511	27,917	74.4
Bartenders	457	888	66.0	12,774	11,135	87.2
Hand Cutting and Trimming Occupations	435	175	28.7	9,292	7,629	82.1
Salespersons: Parts	411	70	14.6	25,189	15,409	61.2
Elementary School Teachers	395	1,260	76.1	36,672	33,352	90.9
Supervisors: Sales Occupations, Retail	377	277	42.4	36,986	21,092	57.0
Misc Material Moving Equipment Operators	375	8	2.1	31,275	NA	NA
Aircraft Engine Mechanics	368	14	3.7	31,663	27,942	88.2
Truck Drivers, Tractor-trailer	362	5	1.4	29,812	NA	NA
Officials and Administrators: Other, NEC	355	252	41.5	47,594	32,849	69.0
Accountants and Auditors	351	617	63.7	48,451	35,407	73.1
Industrial Machinery Repairers	345	44	11.3	42,873	26,294	61.3
Logging Occupations, NEC	340	29	7.9	29,331	10,460	35.7
Civil Engineers	321	28	8.0	51,224	42,102	82.2
Personal Service Occupations, NEC	315	576	64.6	14,884	11,626	78.1
Baggage Porters and Bellhops	307	53	14.7	17,347	19,405	111.9
Traffic, Shipping, and Receiving Clerks	297	112	27.4	23,571	20,507	87.0
Sailors and Deckhands	288	38	11.7	20,122	12,986	64.5
Bus and Truck Engine, and Diesel Engine Mechanics	284	5	1.7	35,626	NA	NA
Bookkeeping and Accounting and Auditing Clerks	281	2,731	90.7	22,573	19,895	88.1
Supervisors: Overall Construction	273	3	1.1	56,632	NA	NA
Supervisors: Production Occupations	271	45	14.2	57,543	25,090	43.6
Aircraft Mechanics (Except Engine Specialists)	268	6	2.2	31,702	NA	NA
Lawyers	266	120	31.1	64,618	46,504	72.0
Petroleum Engineers	261	30	10.3	94,118	73,644	78.2
Garbage Collectors	258	53	17.0	14,583	9,956	68.3
Waiters'/waitresses' Assistants	257	201	43.9	7,305	5,251	71.9
Maids and Housemen	256	1,150	81.8	11,824	8,300	70.2
Inspectors and Compliance Officers, Except Construction	256	382	59.9	31,734	15,708	49.5
Supervisors: Handlers, Equipment Cleaners, Helpers	246	61	19.9	32,221	14,631	45.4
Managers: Marketing, Advertising, and Public Relations	244	135	35.6	51,075	33,569	65.7
Helpers: Miscellaneous Mechanics and Repairers	240	8	3.2	27,874	NA	NA

Table • 3 (cont.)

100 Occupations With the Largest Employment Ranked by Male Employment — Alaska, 1990

Occupational Title	Employment			Average Annual Wage Income		
	Male	Female	% Female	Male	Female	Female/ Male Ratio
Electrical Power Installers and Repairers	240	5	2.0	51,880	NA	NA
Hand Packers and Packagers	236	50	17.5	11,965	7,891	66.0
Groundskeepers and Gardeners, Except Farm	233	67	22.3	10,702	9,412	87.9
Supervisors: Food and Beverage Preparation and Service	232	323	58.2	23,911	15,557	65.1
Machine Feeders and Offbearers	231	77	25.0	14,130	6,159	43.6
Industrial Truck and Tractor Equipment Operators	231	10	4.1	33,776	NA	NA
Automotive Body and Related Repairers	230	2	0.9	29,929	NA	NA
Financial Managers	226	218	49.1	66,524	44,535	66.9
Heating, Air-conditioning, and Refrigeration Mechanics	224	5	2.2	34,752	NA	NA
Salespersons: Hardware	222	88	28.4	19,858	12,980	65.4
Construction Managers	222	17	7.1	58,761	27,283	46.4
Driver-sales Workers	220	26	10.6	17,018	15,001	88.1
Power Plant and Systems Operators, Exc. Stationary	213	7	3.2	32,841	NA	NA
Expeditors	207	60	22.5	25,233	19,769	78.3
Social Workers	201	535	72.7	23,521	18,801	79.9
Managers: Food Serving and Lodging Establishments	200	194	49.2	25,897	17,470	67.5
Grader, Dozer, and Scraper Operators	199	5	2.5	30,630	NA	NA
Recreation Workers	198	264	57.1	12,330	10,044	81.5
Child Care Workers, Except Private Household	196	1,475	88.3	11,739	7,448	63.4
Engineers, NEC	196	16	7.5	85,990	58,824	68.4
Total Top 100	62,231	45,953	42.5	26,107	14,301	54.8
Total	124,121	111,546	47.3	27,655	16,934	61.2

Note: Shaded areas highlight occupations in which female average wage income equals or exceeds male average wage income. These data cover 4-digit Standard Occupational Code (SOC) occupations for people who reported both income and 4-digit occupational codes. Employment is defined as the number of workers who worked in an occupation at any time during the year. Workers, who worked in more than one occupation, are assigned to the occupation in which they earned the majority of their annual wage income. Average wage income is not disclosed for occupations with male or female employment of less than eleven workers. NEC means "not elsewhere classified".

Source: Alaska Department of Labor, Research and Analysis Section.

On the Annual Benchmark Revision

By John Boucher

In January of every year, the Alaska Department of Labor (AKDOL) revises the nonagricultural wage and salary employment data series in a procedure referred to as **benchmarking**. The recently completed 1991 benchmark revised the employment estimates for all of 1990 and 1991. The revised estimates are published in this issue of *Trends*. (See Tables 1-18).

Monthly job estimates based on a sample of employers

The monthly employment estimates published in this magazine are based on a sample of employers. AKDOL uses current employment and payroll information from approximately 1,400 of Alaska's 16,000 firms to produce the monthly employment estimates. Less than 10% of Alaska's employers take part in the sample, but the participating employers represent a large percentage of total nonagricultural employment. For example, the firms sampled in June 1991 included 116,100 of a total nonagricultural employment of 253,600 (45.7%). These firms voluntarily participate in the U.S. Department of Labor's Current Employment Statistics (CES) program. The firms' data allow Alaska Department of Labor economists to produce reliable and timely estimates on both the direction and the magnitude of movement of nonagricultural wage and salary employment.

Revised employment estimates incorporate latest UI tax data

Quarterly Unemployment Insurance (UI) tax reports, referred to as the Quarterly Report of Employment and Wages or the ES-202 report, provide the most comprehensive count of nonagricultural wage and salary employment for Alaska. However, ES-202 data

are not immediately incorporated into the current employment estimates because there is a six-to-nine month lag in collection and publication of this information. (The ES-202 data is published in AKDOL's Employment and Earnings Report). The January 1992 benchmark process, though, incorporates the most recent ES-202 data available.

During the benchmark, revised estimates were calculated through December 1991. These estimates incorporate ES-202 data through June 1991. The remaining six months of 1991 were reestimated using an augmented CES sample. The new sample incorporates additional employer information not available at the time the original estimates were generated.

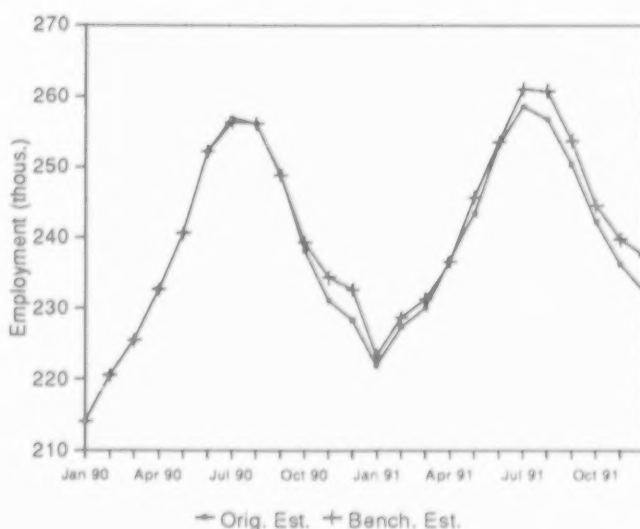
Original estimates understated growth by .5%

The original estimates tracked the trend of the benchmarked employment numbers accurately during 1990 and 1991. However, the original estimates slightly un-

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Figure • 1

Original Estimates vs Benchmark Estimates
January 1990 to December 1991



Source: Alaska Department of Labor, Research & Analysis Section.

derstated employment growth in Alaska's economy. (See Figure 1.)

On an annual average basis, the benchmarked estimates showed an employment increase of 2.1% from 1990 to 1991. The original estimates pegged the annual employment gain at 1.6%. The majority of the underestimation occurred in the seafood processing industry. Bottom-fish-related employment in Southwest Alaska was underestimated in the winter 1990-91 and in December of 1991.

Health services series introduced

The 1991 benchmark introduces an additional published series beginning with this issue of *Trends*. Health Services, published as a subcategory of Services, is the new data series.¹ Health services firms employ the largest number of people of any employment category within the services industry. The health services series includes private establishments primarily engaged in furnishing medical, surgical and other health care services to persons. This employment series excludes publicly-owned health care facilities, a significant participant in the health care industry in Alaska. Publicly-owned health care facilities are included in the government employment totals.

The services industry employs more Alaskans than any other private sector industry. The Alaska Department of Labor is committed to improving the level of employment detail available in this sector of Alaska's economy. Currently, employment trends in the services industry can easily mask changes at the more detailed level. Publication of health services employment takes a step toward identifying underlying employment trends in the services industry. As employer sampling systems are developed, refined and tested, more employment categories within Alaska's services industry will be published in *Alaska Economic Trends*.

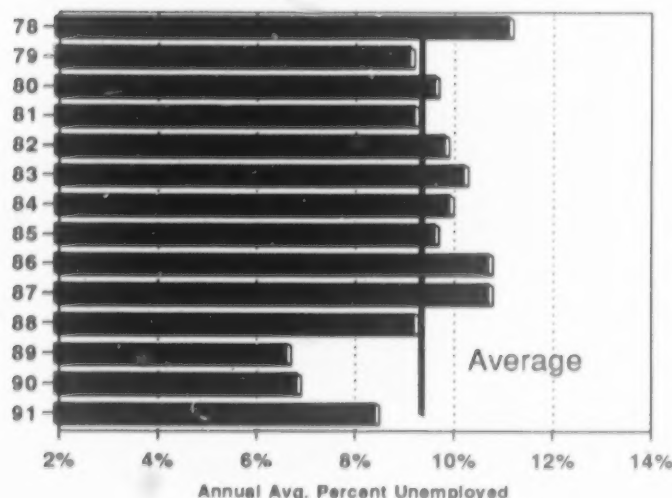
Anchorage estimates validated by USDOL

The 1991 benchmark introduced one other major change. The US Department of Labor's Bureau of Labor Statistics (BLS) validated and approved the Anchorage employment estimates to meet their standards for publication. This means that the USDOL electronic database and publications will include Anchorage employment estimates for the first time. This allows a much broader access to Anchorage data for interested users. Businesses, financiers and other interested parties can now access the latest economic data available for Alaska's largest city by referencing the USDOL's national database.

Figure • 2

Unemployment Rises in 1991

Source: Alaska Department of Labor, Research & Analysis Section.



Note:

¹An employment breakout for health services was requested by respondents to the Trends 1991 readership survey.

Two down-sides to USDOL validation exist, particularly for long-time Anchorage data users. First, validation of all of the available published data for Anchorage did not occur during this benchmark cycle. The five series dropped prior to validation were:

- Trucking and Warehousing
- Air Transportation
- Water Transportation
- General Merchandise and Apparel
- Eating and Drinking Places

These series did not meet USDOL's criteria for publication as a national data series. These five series failed approval due to a lack of an adequate sample. *Alaska Economic Trends* will still publish these data series, but not in the table footnoted "Prepared in cooperation with the US Department of Labor, Bureau of Labor Statistics." This results in a clumsy separation of USDOL approved Anchorage data series from those that are not approved. By the 1992 benchmark, the Alaska Department of Labor hopes to get these series approved by the USDOL and end the awkward separation.²

One more difference in the USDOL approved Anchorage data series exists. The Anchorage estimates are now rounded to the nearest 100 rather than the nearest 50. This makes little difference in larger data series, but rounding to the nearest 100 can make a significant difference in trend analysis in smaller data series.

Hours and earnings statistics revised

Employers also provide the data used to estimate hours and earnings statistics. During the benchmark, these estimates are adjusted to reflect the revised level of employment. When the employment data are benchmarked, the hours and earnings data are reviewed to see if employment level changes might have further changed the hours and earnings estimates. (See Table 19.) Usually, the hours and earnings data have changed either due to the benchmarking of employment or new firms being added to augment existing hours and earnings sample. (Note that the quarterly ES-202 data don't lend them-

selves as estimates of average weekly hours and earnings data, therefore hours and earnings data are entirely sample-based.)

Labor force data revised

Labor force statistics are also benchmarked in January using the new nonagricultural wage and salary numbers as well as other updated data. (See Table 20.)

The employment numbers in the labor force table differ from the nonagricultural wage and salary numbers because of the different definitions and methodologies used in making estimates. Nonagricultural wage and salary employment is considered the better indicator of changes in industry employment; the labor force data is considered the better measure of job prospects and of current hardships of the unemployed.

Labor force data shows job market tougher in '91

Following two years of record low unemployment rates, Alaska's statewide jobless rate moved toward what historically is a more normal rate of unemployment for Alaska: 8.5%. Even with an increased level of unemployment, the 8.5% statewide unemployment rate was the third-lowest annual unemployment rate since 1978. (See Figure 2.)

The higher unemployment rate during 1991 was a function of two factors in Alaska's economy: slower employment growth coupled with an increased number of out-of-state jobseekers. Early in 1991, comparisons to 1989 and 1990 were more favorable than they were at the end of the year. As the year progressed, the cumulative effects of these two factors became too much for Alaska's economy to overcome. By December 1991, Alaska's unemployment rate had reached the double-digit level for the first time in 42 months, ending the longest stretch of sub-10% unemployment rates in recent history.

Note:

²At press time approval from the BLS regional office in San Francisco has been received. Final written confirmation by the BLS national office is still pending.

Nonagricultural Wage and Salary Employment By Place of Work 1990 & 1991

ALASKA 1990

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	214,000	220,500	225,500	232,700	240,600	252,700	257,200	256,800	249,500	240,000	234,500	232,900	238,100
Goods-producing	28,500	30,800	33,200	37,200	40,000	46,100	52,000	50,400	43,500	38,500	35,900	34,000	39,200
Mining	9,900	10,300	10,400	10,700	11,200	12,300	12,500	12,800	12,100	12,200	11,700	11,700	11,500
Construction	7,200	7,400	8,200	9,300	10,500	12,800	13,000	13,400	13,100	11,800	10,300	9,100	10,500
Manufacturing	11,400	13,100	14,600	17,200	18,300	21,000	26,500	24,200	18,300	14,500	13,900	13,200	17,200
Durable Goods	2,400	2,600	3,300	4,100	4,400	4,700	4,800	4,900	4,600	4,200	3,600	2,800	3,900
Lumber & Wood Products	1,800	1,900	2,600	3,300	3,500	3,700	3,800	3,900	3,600	3,300	3,000	2,200	3,100
Nondurable Goods	9,000	10,500	11,300	13,100	13,900	16,300	21,700	19,300	13,700	10,300	10,300	10,400	13,300
Seafood Processing	5,500	6,900	7,700	9,400	10,100	12,400	17,700	15,400	9,900	6,500	6,400	6,500	9,500
Pulp Mills	900	900	900	900	900	900	1,000	1,000	900	900	900	900	900
Service-producing	185,500	189,700	192,300	195,500	200,600	206,600	205,200	206,400	206,000	201,500	198,600	198,900	198,900
Transportation	18,100	18,400	18,800	19,200	20,600	22,400	22,500	22,800	22,800	21,300	20,300	20,300	20,600
Trucking & Warehousing	2,200	2,300	2,500	2,400	2,600	2,800	2,800	2,900	2,800	2,700	2,700	2,800	2,600
Water Transportation	1,100	1,100	1,100	1,200	1,500	1,700	1,600	1,800	1,600	1,500	1,300	1,300	1,400
Air Transportation	6,000	6,000	6,100	6,300	6,600	7,100	7,300	7,300	7,300	6,700	6,600	6,600	6,700
Communications	3,200	3,200	3,200	3,200	3,300	3,400	3,400	3,400	3,400	3,500	3,400	3,500	3,300
Trade	42,600	42,500	43,100	44,300	46,600	48,600	49,200	49,400	47,700	46,100	45,800	45,900	46,000
Wholesale Trade	7,500	7,600	7,700	7,900	8,200	8,500	8,600	8,600	8,200	8,000	7,900	7,900	8,100
Retail Trade	35,100	34,900	35,400	36,400	38,400	40,100	40,600	40,800	39,500	38,100	37,900	38,000	37,900
Gen. Merch. & Apparel	5,500	5,300	5,300	5,400	5,600	6,100	6,100	6,200	6,100	6,100	6,400	6,500	5,900
Food Stores	6,200	6,200	6,200	6,400	6,700	6,800	6,900	7,000	6,800	6,500	6,500	6,500	6,600
Eating & Drinking Places	12,000	12,000	12,300	12,800	13,800	14,400	14,700	14,700	14,100	13,000	12,500	12,400	13,200
Finance-Ins. & Real Estate	10,000	10,000	10,100	10,200	10,400	10,600	10,500	10,500	10,400	10,500	10,300	10,300	10,300
Services & Misc.	46,700	47,800	48,600	49,300	51,300	54,200	53,700	54,400	53,100	51,200	50,600	50,400	50,900
Hotels & Lodging Places	4,300	4,400	4,500	4,800	5,300	6,900	7,300	7,200	6,500	5,300	4,700	4,600	5,500
Health Services	10,100	10,200	10,300	10,300	10,400	10,600	10,500	10,500	10,600	10,700	10,800	10,700	10,500
Government	68,100	71,000	71,700	72,500	71,700	70,800	69,300	69,300	72,000	72,400	71,600	72,000	71,000
Federal	18,100	18,200	18,500	18,700	19,000	19,500	19,700	19,000	18,800	18,400	18,200	18,600	18,700
State	19,700	21,600	21,800	21,900	20,800	21,500	21,700	21,400	22,100	21,800	21,800	21,500	21,500
Local	30,300	31,200	31,400	31,900	31,900	29,800	27,900	28,900	31,100	32,200	31,600	31,900	30,800

ALASKA 1991

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	223,300	228,500	231,400	236,400	245,800	253,600	261,000	260,700	253,800	244,700	239,700	237,500	243,000
Goods-producing	32,300	33,900	35,600	38,400	41,900	45,500	53,100	51,500	45,300	38,700	35,500	34,000	40,500
Mining	11,300	11,500	11,800	12,000	12,000	12,000	12,400	12,400	12,400	11,500	10,900	10,800	11,800
Construction	7,700	7,700	8,100	8,600	10,300	12,100	13,100	13,600	13,300	12,200	10,300	9,200	10,500
Manufacturing	13,300	14,700	15,700	17,800	19,600	21,000	27,600	25,400	19,600	15,000	14,300	14,000	18,200
Durable Goods	2,200	2,500	3,000	3,400	3,700	3,800	4,100	4,100	4,000	3,800	3,200	2,600	3,400
Lumber & Wood Products	1,600	1,800	2,300	2,700	2,800	2,900	3,200	3,200	3,100	2,900	2,500	2,000	2,600
Nondurable Goods	11,100	12,200	12,700	14,400	15,900	17,200	23,500	21,300	15,600	11,200	11,100	11,400	14,800
Seafood Processing	7,200	8,400	8,800	10,500	11,900	13,100	19,500	17,300	11,600	7,300	7,100	7,500	10,900
Pulp Mills	900	900	900	900	900	900	900	900	900	900	900	900	900
Service-producing	191,000	194,600	195,800	198,000	203,900	208,100	207,900	209,200	208,500	206,000	204,200	203,500	202,600
Transportation	19,600	19,700	19,900	20,400	22,000	23,500	23,900	24,100	23,500	22,500	21,600	21,300	21,800
Trucking & Warehousing	2,500	2,500	2,600	2,600	2,800	3,000	3,200	3,100	3,100	2,900	2,800	2,900	2,800
Water Transportation	1,000	1,200	1,200	1,500	1,700	1,900	1,900	1,900	1,700	1,600	1,500	1,300	1,500
Air Transportation	6,400	6,400	6,400	6,500	7,100	7,500	7,700	7,800	7,500	7,100	6,900	6,900	7,000
Communications	3,400	3,400	3,400	3,400	3,500	3,600	3,600	3,600	3,600	3,600	3,600	3,500	3,500
Trade	43,900	43,500	44,000	44,800	47,100	48,800	49,800	50,000	48,500	47,700	47,400	47,100	46,900
Wholesale Trade	7,400	7,400	7,500	7,600	7,900	8,100	8,200	8,200	7,900	7,800	7,600	7,600	7,800
Retail Trade	36,500	36,100	36,500	37,200	39,200	40,700	41,600	41,800	40,600	39,900	39,800	39,500	39,100
Gen. Merch. & Apparel	5,700	5,400	5,300	5,500	5,800	6,100	6,300	6,500	6,500	6,900	7,400	7,300	6,200
Food Stores	6,600	6,700	7,000	6,600	7,000	6,900	7,300	7,300	7,100	7,000	7,000	7,100	7,000
Eating & Drinking Places	12,100	12,100	12,200	12,900	13,800	14,600	14,900	15,000	14,400	13,500	13,000	12,800	13,400
Finance-Ins. & Real Estate	10,400	10,300	10,400	10,400	10,700	10,800	11,000	11,000	10,800	10,700	10,700	10,700	10,700
Services & Misc.	48,300	49,500	49,800	50,200	52,300	54,600	55,000	55,400	53,300	51,600	50,900	50,500	51,800
Hotels & Lodging Places	4,200	4,300	4,400	4,600	5,400	6,700	7,400	7,300	6,300	5,400	4,900	4,900	5,500
Health Services	10,800	10,900	11,000	11,000	11,200	11,200	11,200	11,100	11,000	11,100	11,100	11,100	11,100
Government	68,800	71,600	71,700	72,200	71,800	70,400	68,200	68,700	72,400	73,500	73,600	73,900	71,400
Federal	17,900	17,900	17,900	18,300	18,900	19,600	19,700	19,700	19,500	19,100	18,800	19,100	18,900
State	19,900	21,800	21,800	21,900	20,600	20,700	20,600	20,400	21,500	21,600	22,000	21,700	21,200
Local	31,000	31,900	32,000	32,000	32,300	30,100	27,900	28,600	31,400	32,800	32,800	33,100	31,300

Notes: Annual averages may not add due to rounding.

Prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics. Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Source: Alaska Department of Labor, Research and Analysis Section.

Benchmark: March 1991

Nonagricultural Wage and Salary Employment By Place of Work 1990 & 1991

MUNICIPALITY OF ANCHORAGE 1990

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	103,500	105,800	107,800	108,700	111,100	115,500	115,500	116,000	115,500	113,800	112,300	111,400	111,400
Goods-producing	9,400	9,900	10,600	11,000	11,600	13,300	14,000	14,000	13,800	13,000	12,000	11,100	12,000
Mining	3,700	3,900	4,000	3,800	3,800	3,700	3,700	3,800	3,800	4,000	3,900	3,900	3,800
Construction	3,900	4,100	4,600	5,000	5,500	6,900	7,200	7,400	7,400	6,600	5,600	4,900	5,800
Manufacturing	1,800	1,900	2,000	2,200	2,300	2,700	3,100	2,800	2,600	2,400	2,500	2,300	2,400
Service-producing	94,100	95,900	97,200	97,700	99,500	102,200	101,500	102,000	101,700	100,800	100,300	100,300	99,400
Transportation	10,000	10,200	10,400	10,500	11,100	11,900	12,000	12,100	12,000	11,200	11,000	10,900	11,100
Communications	1,800	1,800	1,800	1,800	1,900	1,900	1,900	2,000	2,000	2,000	2,100	2,100	1,900
Trade	24,700	24,800	25,100	25,600	26,100	26,800	26,900	27,200	26,800	26,400	26,700	26,700	26,200
Wholesale Trade	5,500	5,600	5,700	5,800	5,900	6,100	6,100	6,100	6,000	5,900	5,900	5,900	5,900
Retail Trade	19,200	19,200	19,400	19,800	20,200	20,700	20,800	21,100	20,800	20,500	20,800	20,800	20,300
Food Stores	3,000	3,000	3,000	3,100	3,200	3,200	3,200	3,300	3,300	3,100	3,100	3,100	3,100
Finance-Ins. & Real Estate	6,500	6,400	6,500	6,400	6,500	6,600	6,500	6,500	6,500	6,500	6,400	6,500	6,500
Services & Misc.	27,100	27,700	28,200	28,200	29,100	30,300	29,200	29,600	29,300	29,100	29,100	29,200	28,800
Hotels & Lodging Places	2,300	2,300	2,300	2,400	2,300	2,700	2,700	2,700	2,500	2,500	2,400	2,500	2,500
Health Services	5,500	5,600	5,600	5,600	5,700	5,800	5,700	5,700	5,800	5,900	5,900	5,900	5,700
Government	25,800	26,800	27,000	27,000	26,700	26,600	26,900	26,600	27,100	27,600	27,100	27,000	26,900
Federal	10,400	10,500	10,600	10,400	10,500	10,700	10,800	10,400	10,400	10,600	10,500	10,600	10,500
State	7,000	7,700	7,800	7,900	7,300	7,400	7,200	7,400	8,000	8,000	8,200	7,900	7,700
Local	8,400	8,600	8,600	8,700	8,900	8,500	8,900	8,800	8,700	9,000	8,400	8,500	8,700

MUNICIPALITY OF ANCHORAGE 1991

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	106,300	108,300	108,900	109,600	112,600	116,200	117,400	118,000	116,300	115,200	114,000	113,900	113,100
Goods-producing	10,300	10,500	10,900	11,100	12,300	13,700	14,300	14,500	14,000	13,100	11,800	11,100	12,300
Mining	3,800	3,900	4,000	4,000	4,000	4,100	4,000	4,100	4,100	3,800	3,700	3,600	3,900
Construction	4,300	4,400	4,500	4,700	5,700	6,700	7,100	7,300	7,200	6,800	5,600	5,100	5,800
Manufacturing	2,200	2,200	2,400	2,400	2,600	2,900	3,200	3,100	2,700	2,500	2,500	2,400	2,600
Service-producing	96,000	97,800	98,000	98,500	100,300	102,500	103,100	103,500	102,300	102,100	102,200	102,800	100,800
Transportation	10,900	10,900	11,000	11,100	11,900	12,700	12,900	13,000	12,700	11,900	11,700	11,700	11,900
Communications	2,000	2,100	2,100	2,100	2,100	2,100	2,200	2,200	2,200	2,200	2,300	2,200	2,200
Trade	25,100	24,900	25,100	25,300	25,800	26,300	26,700	26,900	26,500	26,500	26,700	26,700	26,000
Wholesale Trade	5,500	5,500	5,600	5,600	5,700	5,800	5,800	5,800	5,700	5,800	5,700	5,700	5,700
Retail Trade	19,600	19,400	19,500	19,700	20,100	20,500	20,900	21,100	20,800	20,700	21,000	21,000	20,400
Food Stores	3,100	3,200	3,400	3,200	3,300	3,300	3,300	3,500	3,300	3,300	3,400	3,400	3,300
Finance-Ins. & Real Estate	6,600	6,600	6,600	6,600	6,600	6,700	6,800	6,800	6,600	6,600	6,600	6,600	6,600
Services & Misc.	27,400	28,300	28,300	28,300	28,800	29,800	29,500	29,500	28,900	29,100	29,100	29,400	28,900
Hotels & Lodging Places	2,200	2,200	2,200	2,300	2,300	2,700	2,700	2,700	2,400	2,400	2,400	2,500	2,400
Health Services	5,800	5,800	5,800	5,900	5,900	5,900	5,900	5,900	5,900	6,000	6,000	6,100	5,900
Government	26,000	27,100	27,000	27,200	27,200	27,000	27,200	27,400	27,600	28,000	28,100	28,400	27,400
Federal	10,300	10,300	10,300	10,300	10,600	10,800	10,800	10,800	10,700	10,800	10,800	11,000	10,600
State	7,300	8,100	8,100	8,200	7,700	7,500	7,400	7,600	8,000	8,200	8,300	8,300	7,900
Local	8,400	8,700	8,600	8,700	8,900	8,700	9,000	9,000	8,900	9,000	9,000	9,100	8,800

Notes: Annual averages may not add due to rounding.

Prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics. Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Source: Alaska Department of Labor, Research and Analysis Section.

Benchmark: March 1991

Nonagricultural Wage and Salary Employment By Place of Work 1990 & 1991

SOUTHEAST ALASKA 1990

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	29,550	30,250	31,350	33,550	34,550	36,250	37,400	38,250	37,350	33,600	32,550	31,550	33,850
Goods-producing	4,350	4,500	5,400	6,900	7,100	7,550	8,650	9,200	8,600	6,400	6,000	5,050	6,650
Mining	300	300	300	350	350	350	350	350	350	350	350	350	350
Construction	800	800	850	1,300	1,250	1,350	1,300	1,300	1,300	1,200	1,250	1,050	1,150
Manufacturing	3,250	3,400	4,250	5,250	5,500	5,850	7,000	7,550	6,950	4,850	4,400	3,650	5,150
Durable Goods	1,600	1,700	2,400	2,800	3,100	3,200	3,250	3,350	3,100	2,850	2,550	1,850	2,650
Lumber & Woods Products	1,550	1,600	2,300	2,750	3,000	3,100	3,200	3,250	3,000	2,800	2,500	1,750	2,550
Nondurable Goods	1,650	1,700	1,850	2,450	2,400	2,650	3,750	4,200	3,850	2,000	1,850	1,800	2,500
Seafood Processing	600	650	800	1,400	1,300	1,550	2,600	3,000	2,700	900	700	700	1,400
Pulp Mills	850	850	850	900	850	900	950	950	950	900	900	900	900
Service-producing	25,200	25,750	25,950	26,650	27,450	28,700	28,750	29,050	28,750	27,200	26,550	26,500	27,200
Transportation	2,250	2,250	2,300	2,300	2,650	3,200	3,050	3,300	3,100	2,750	2,400	2,450	2,650
Trade	4,900	4,900	5,000	5,200	5,500	5,900	6,000	6,050	5,700	5,450	5,350	5,250	5,450
Wholesale Trade	600	600	600	600	600	650	600	600	550	550	550	550	600
Retail Trade	4,300	4,300	4,400	4,600	4,900	5,250	5,400	5,450	5,150	4,900	4,800	4,700	4,850
Finance-Ins. & Real Estate	1,050	1,100	1,100	1,150	1,200	1,150	1,150	1,150	1,200	1,200	1,100	1,100	1,150
Services & Misc.	5,000	5,100	5,150	5,350	5,600	6,050	6,150	6,200	6,050	5,550	5,300	5,200	5,550
Government	12,000	12,400	12,400	12,650	12,500	12,400	12,400	12,350	12,700	12,250	12,300	12,500	12,400
Federal	1,950	1,900	1,950	2,100	2,150	2,300	2,350	2,250	2,250	2,000	1,950	2,150	2,100
State	5,450	5,750	5,650	5,700	5,600	5,700	5,800	5,600	5,550	5,450	5,450	5,350	5,600
Local	4,600	4,750	4,800	4,850	4,750	4,400	4,250	4,500	4,900	4,800	4,900	5,000	4,700

SOUTHEAST ALASKA 1991

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	29,500	30,300	31,150	32,550	34,500	35,300	37,000	37,900	37,300	34,000	32,800	31,850	33,700
Goods-producing	4,150	4,350	5,000	5,650	6,650	6,650	8,400	9,050	8,600	6,300	5,900	5,200	6,350
Mining	350	350	350	350	350	350	350	300	350	300	300	300	350
Construction	800	850	950	1,100	1,250	1,300	1,450	1,500	1,500	1,300	1,250	1,200	1,200
Manufacturing	3,000	3,150	3,700	4,200	5,050	5,000	6,600	7,250	6,750	4,700	4,350	3,700	4,800
Durable Goods	1,350	1,500	1,950	2,250	2,400	2,400	2,600	2,550	2,550	2,500	2,250	1,800	2,200
Lumber & Woods Products	1,300	1,450	1,900	2,150	2,300	2,300	2,500	2,450	2,450	2,350	2,150	1,750	2,100
Nondurable Goods	1,650	1,650	1,750	1,950	2,650	2,600	4,000	4,700	4,200	2,200	2,100	1,900	2,600
Seafood Processing	550	600	700	850	1,600	1,450	2,850	3,550	3,100	1,100	1,000	750	1,500
Pulp Mills	900	900	900	900	900	900	900	950	900	900	900	900	900
Service-producing	25,350	25,950	26,150	26,900	27,850	28,650	28,600	28,850	28,700	27,700	26,900	26,650	27,350
Transportation	2,150	2,300	2,300	2,500	2,700	3,050	3,050	3,050	3,000	2,750	2,450	2,250	2,650
Trade	4,950	5,000	5,100	5,300	5,650	6,100	6,150	6,200	5,850	5,500	5,500	5,550	5,550
Wholesale Trade	500	550	550	550	550	600	600	600	600	550	550	550	550
Retail Trade	4,450	4,450	4,550	4,750	5,100	5,500	5,550	5,600	5,250	4,950	4,950	5,000	5,000
Finance-Ins. & Real Estate	1,100	1,100	1,100	1,100	1,200	1,200	1,250	1,250	1,200	1,150	1,150	1,150	1,150
Services & Misc.	5,000	5,100	5,200	5,400	5,750	6,100	6,200	6,250	6,050	5,800	5,500	5,400	5,650
Government	12,150	12,450	12,450	12,600	12,550	12,200	11,950	12,100	12,600	12,500	12,300	12,300	12,350
Federal	1,900	1,900	1,900	1,950	2,050	2,250	2,250	2,250	2,200	2,000	1,950	1,950	2,050
State	5,400	5,600	5,600	5,650	5,650	5,550	5,550	5,500	5,550	5,450	5,450	5,300	5,500
Local	4,850	4,950	4,950	5,000	4,850	4,400	4,150	4,350	4,850	5,050	4,900	5,050	4,800

Notes: Annual averages may not add due to rounding.

Prepared in part with funding from the Alaska State Employment Security Division. Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Source: Alaska Department of Labor, Research and Analysis Section.

Benchmark: March 1991

Nonagricultural Wage and Salary Employment By Place of Work 1990 & 1991

ANCHORAGE-MATSU 1990

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	110,100	112,650	114,500	115,600	118,200	123,050	122,600	123,250	123,150	121,350	119,850	119,050	118,600
Goods-producing	9,700	10,150	10,850	11,350	11,950	13,700	14,400	14,600	14,400	13,700	12,550	11,700	12,400
Mining	3,700	3,850	4,000	3,850	3,800	3,700	3,750	3,850	3,900	4,200	4,050	4,050	3,900
Construction	4,100	4,300	4,800	5,200	5,750	7,200	7,500	7,800	7,800	7,000	5,950	5,300	6,050
Manufacturing	1,900	2,000	2,050	2,300	2,400	2,800	3,150	2,950	2,700	2,500	2,550	2,350	2,450
Service-producing	100,400	102,500	103,650	104,250	106,250	109,350	108,200	108,650	108,750	107,650	107,300	107,350	106,200
Transportation	10,700	10,900	11,100	11,200	11,800	12,500	12,650	12,700	12,800	12,000	11,700	11,650	11,800
Trade	26,400	26,450	26,700	27,300	27,950	28,750	28,900	29,150	28,750	28,300	28,550	28,650	28,000
Finance-Ins. & Real Estate	6,800	6,750	6,800	6,700	6,800	6,900	6,850	6,850	6,800	6,800	6,800	6,850	6,800
Service & Misc.	28,300	29,000	29,450	29,450	30,400	31,950	30,800	31,200	30,800	30,450	30,550	30,550	30,250
Government	28,200	29,400	29,600	29,600	29,300	29,250	29,000	28,750	29,600	30,100	29,700	29,650	29,350
Federal	10,500	10,650	10,750	10,600	10,700	10,850	10,950	10,550	10,550	10,650	10,600	10,700	10,650
State	7,750	8,550	8,650	8,700	8,100	8,250	8,100	8,200	8,850	8,850	9,000	8,750	8,500
Local	9,950	10,200	10,200	10,300	10,500	10,150	9,950	10,000	10,200	10,600	10,100	10,200	10,200

ANCHORAGE-MATSU 1991

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	113,900	115,800	116,500	117,500	120,600	124,450	125,100	126,150	124,700	123,300	121,950	121,700	120,950
Goods-producing	10,850	11,100	11,400	11,700	12,900	14,400	15,100	15,250	14,750	13,900	12,500	11,750	12,950
Mining	3,950	4,050	4,100	4,200	4,200	4,250	4,200	4,250	4,250	4,000	3,850	3,800	4,100
Construction	4,650	4,750	4,850	5,000	6,000	7,100	7,550	7,800	7,700	7,250	6,050	5,450	6,200
Manufacturing	2,250	2,300	2,450	2,500	2,700	3,050	3,350	3,200	2,800	2,650	2,600	2,500	2,700
Service-producing	103,050	104,700	105,100	105,800	107,700	110,050	110,000	110,900	109,950	109,400	109,450	109,950	108,000
Transportation	11,600	11,600	11,750	11,850	12,750	13,450	13,600	13,700	13,600	12,750	12,450	12,500	12,650
Trade	27,050	26,800	27,000	27,150	27,750	28,350	28,850	29,150	28,550	28,500	28,700	28,650	28,050
Finance-Ins. & Real Estate	6,900	6,900	6,900	6,950	6,950	7,050	7,100	7,050	6,950	6,900	6,950	6,950	6,950
Service & Misc.	28,950	29,750	29,800	29,850	30,400	31,550	31,200	31,350	30,700	30,550	30,550	30,700	30,450
Government	28,550	29,650	29,650	30,000	29,850	29,650	29,250	29,650	30,150	30,700	30,800	31,150	29,900
Federal	10,400	10,400	10,400	10,450	10,700	10,850	10,850	10,850	10,850	10,900	10,900	11,100	10,700
State	8,050	8,900	8,900	9,050	8,450	8,400	8,250	8,400	8,850	9,000	9,100	9,100	8,700
Local	10,100	10,350	10,350	10,500	10,700	10,400	10,150	10,400	10,450	10,800	10,800	10,950	10,500

MUNICIPALITY OF ANCHORAGE 1990 — OTHER

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Durable Goods	300	300	300	500	400	500	600	600	600	500	400	400	500
Nondurable Goods	1,500	1,500	1,600	1,700	1,800	2,200	2,400	2,200	2,000	1,900	2,100	1,900	1,900
Trucking & Warehousing	1,300	1,400	1,500	1,500	1,500	1,700	1,700	1,700	1,700	1,600	1,700	1,700	1,600
Water Transportation	200	300	300	300	400	300	300	300	300	300	300	200	300
Air Transportation	3,900	3,900	3,900	4,000	4,000	4,400	4,500	4,400	4,400	4,200	4,200	4,200	4,200
Gen. Merch. & Apparel	2,900	2,900	2,900	2,900	3,000	3,200	3,200	3,300	3,200	3,300	3,600	3,700	3,200
Eating & Drinking Places	7,300	7,400	7,400	7,700	7,800	7,900	8,000	8,100	8,000	7,800	7,600	7,600	7,700

MUNICIPALITY OF ANCHORAGE 1991 — OTHER

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Durable Goods	400	400	500	500	600	600	700	700	600	600	500	400	500
Nondurable Goods	1,800	1,800	1,900	1,900	2,000	2,400	2,600	2,400	2,100	1,900	2,000	2,000	2,100
Trucking & Warehousing	1,600	1,500	1,600	1,600	1,700	1,800	2,000	1,900	1,900	1,700	1,700	1,800	1,700
Water Transportation	200	200	200	300	300	300	300	400	300	300	300	300	300
Air Transportation	4,100	4,100	4,100	4,100	4,500	4,700	4,700	4,800	4,600	4,400	4,300	4,300	4,400
Gen. Merch. & Apparel	3,000	2,800	2,800	2,900	3,000	3,200	3,300	3,400	3,300	3,300	3,700	3,700	3,200
Eating & Drinking Places	7,200	7,100	7,200	7,400	7,400	7,700	7,800	7,800	7,700	7,600	7,500	7,600	7,500

Notes: Annual averages may not add due to rounding.

Prepared in part with funding from the Alaska State Employment Security Division. Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Source: Alaska Department of Labor, Research and Analysis Section.

Benchmark: March 1991

Nonagricultural Wage and Salary Employment By Place of Work 1990 & 1991

GULF COAST 1990

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	19,950	21,000	21,750	23,600	25,250	27,600	29,500	29,000	25,200	23,650	22,700	22,400	24,300
Goods-producing	4,400	4,850	5,350	6,500	7,200	8,800	10,900	10,450	7,150	6,100	5,600	5,400	6,900
Mining	1,000	1,050	1,100	1,100	1,150	1,150	1,250	1,250	1,250	1,250	1,250	1,250	1,150
Construction	750	750	850	950	1,100	1,300	1,200	1,300	1,250	1,250	1,100	1,000	1,050
Manufacturing	2,650	3,050	3,400	4,450	4,950	6,350	8,450	7,900	4,650	3,600	3,250	3,150	4,650
Seafood Processing	1,850	2,150	2,550	3,450	3,900	5,200	7,400	6,750	3,500	2,600	2,300	2,200	3,650
Service-producing	15,550	16,150	16,400	17,100	18,050	18,800	18,600	18,550	18,050	17,550	17,100	17,000	17,400
Transportation	1,750	1,750	1,850	1,900	2,050	2,150	2,250	2,200	2,150	2,150	2,100	2,000	2,050
Trade	3,450	3,500	3,600	3,950	4,350	4,750	4,850	4,650	4,250	3,900	3,800	3,800	4,050
Wholesale Trade	400	450	500	500	600	600	700	650	500	450	450	450	500
Retail Trade	3,050	3,050	3,100	3,450	3,750	4,150	4,150	4,000	3,750	3,450	3,350	3,350	3,550
Finance-Ins. & Real Estate	500	550	550	550	600	600	600	650	600	600	600	550	600
Services & Misc.	3,950	4,050	4,100	4,300	4,650	4,950	5,050	5,100	4,800	4,600	4,400	4,350	4,550
Government	5,900	6,300	6,300	6,400	6,400	6,350	5,850	5,950	6,250	6,300	6,200	6,300	6,200
Federal	500	500	550	650	650	700	700	650	600	600	550	550	600
State	1,750	2,000	1,950	1,950	1,900	1,950	1,950	2,000	2,050	1,900	1,850	1,850	1,950
Local	3,650	3,800	3,800	3,800	3,850	3,700	3,200	3,300	3,600	3,800	3,800	3,900	3,700

GULF COAST 1991

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	21,550	22,200	22,600	24,100	25,750	27,500	30,300	29,300	26,500	24,200	22,850	22,200	24,900
Goods-producing	5,350	5,650	5,800	6,750	7,400	8,350	11,350	10,450	8,050	6,400	5,550	5,200	7,200
Mining	1,300	1,150	1,200	1,150	1,200	1,200	1,250	1,250	1,550	1,400	1,200	1,200	1,250
Construction	800	750	800	900	1,000	1,250	1,250	1,250	1,200	1,200	1,000	900	1,050
Manufacturing	3,250	3,750	3,800	4,700	5,200	5,900	8,850	7,950	5,300	3,800	3,350	3,100	4,900
Seafood Processing	2,400	2,850	2,900	3,700	4,150	4,850	7,750	6,800	4,150	2,800	2,400	2,250	3,900
Service-producing	16,200	16,550	16,800	17,350	18,350	19,150	18,950	18,850	18,450	17,800	17,300	17,000	17,750
Transportation	1,850	1,850	1,850	2,000	2,150	2,250	2,300	2,300	2,200	2,150	2,100	2,050	2,100
Trade	3,700	3,650	3,800	4,000	4,300	4,650	4,900	4,750	4,350	4,000	3,850	3,850	4,150
Wholesale Trade	400	400	450	450	500	550	650	650	550	450	450	450	500
Retail Trade	3,300	3,250	3,350	3,550	3,800	4,100	4,250	4,100	3,800	3,550	3,400	3,400	3,650
Finance-Ins. & Real Estate	550	550	600	550	650	650	600	650	600	600	600	600	600
Services & Misc.	4,250	4,350	4,350	4,500	4,900	5,300	5,350	5,350	5,000	4,750	4,550	4,400	4,750
Government	5,850	6,150	6,200	6,300	6,350	6,300	5,800	5,800	6,300	6,300	6,200	6,100	6,150
Federal	500	500	500	550	600	650	650	650	650	600	550	500	600
State	1,600	1,800	1,800	1,900	1,850	2,000	1,900	1,900	1,950	1,900	1,850	1,800	1,850
Local	3,750	3,850	3,900	3,850	3,900	3,650	3,250	3,250	3,700	3,800	3,800	3,800	3,700

Notes: Annual averages may not add due to rounding.

Prepared in part with funding from the Alaska State Employment Security Division. Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Source: Alaska Department of Labor, Research and Analysis Section.

Benchmark: March 1991

Nonagricultural Wage and Salary Employment By Place of Work 1990 & 1991

SOUTHWEST ALASKA 1990

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	13,450	14,650	14,950	15,500	16,150	16,550	18,050	16,200	15,050	14,350	14,350	14,550	15,300
Goods-producing	3,250	4,250	4,500	4,800	5,050	5,550	7,400	5,450	3,750	3,100	3,350	3,600	4,500
Seafood Processing	2,950	4,000	4,250	4,450	4,650	5,100	6,950	5,000	3,300	2,750	3,000	3,350	4,150
Service-producing	10,200	10,400	10,450	10,700	11,100	11,000	10,650	10,750	11,300	11,250	11,000	10,950	10,800
Government	6,150	6,250	6,350	6,400	6,450	6,050	5,400	5,700	6,300	6,400	6,300	6,250	6,150
Federal	1,300	1,250	1,300	1,250	1,250	1,350	1,300	1,300	1,250	1,200	1,200	1,200	1,250
State	500	550	500	550	550	550	550	550	550	550	550	550	550
Local	4,350	4,450	4,550	4,600	4,650	4,150	3,550	3,850	4,500	4,650	4,550	4,500	4,350

SOUTHWEST ALASKA 1991

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	15,250	16,200	16,400	17,250	17,900	18,200	19,700	17,750	16,050	15,300	15,500	15,900	16,800
Goods-producing	4,350	5,000	5,300	5,950	6,150	6,600	8,550	6,450	4,050	3,450	3,850	4,250	5,350
Seafood Processing	4,100	4,750	5,000	5,650	5,800	6,250	8,100	6,000	3,600	3,050	3,500	4,000	5,000
Service-producing	10,900	11,200	11,100	11,300	11,750	11,600	11,150	11,300	12,000	11,850	11,650	11,650	11,450
Government	6,150	6,450	6,400	6,450	6,600	6,100	5,650	5,700	6,500	6,600	6,600	6,600	6,300
Federal	1,250	1,250	1,250	1,300	1,350	1,400	1,400	1,350	1,300	1,300	1,300	1,350	1,350
State	500	550	550	550	550	600	650	550	550	550	550	550	550
Local	4,400	4,650	4,600	4,600	4,700	4,100	3,600	3,750	4,600	4,750	4,750	4,700	4,450

NORTHERN 1990

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	12,800	13,250	13,450	13,850	14,300	15,800	15,500	15,950	15,500	15,200	14,800	14,900	14,600
Goods-producing	5,050	5,150	5,100	5,500	5,950	7,250	7,250	7,350	6,750	6,550	6,250	6,300	6,200
Mining	4,700	4,750	4,750	5,100	5,500	6,700	6,700	6,750	6,150	6,000	5,700	5,700	5,700
Service-producing	7,750	8,100	8,350	8,350	8,350	8,550	8,250	8,600	8,750	8,650	8,550	8,600	8,400
Government	4,250	4,400	4,450	4,550	4,450	4,300	4,000	4,250	4,400	4,550	4,600	4,600	4,400
Federal	300	300	300	300	300	350	300	300	300	250	300	250	300
State	350	350	350	350	350	350	350	400	350	350	350	350	350
Local	3,600	3,750	3,800	3,900	3,800	3,600	3,350	3,550	3,750	3,950	3,950	4,000	3,750

NORTHERN 1991

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	14,200	14,600	14,850	15,100	15,350	15,450	15,450	15,900	15,550	14,800	14,550	14,600	15,050
Goods-producing	5,950	6,150	6,350	6,450	6,450	6,700	6,900	7,100	6,600	5,950	5,700	5,700	6,350
Mining	5,500	5,700	5,850	5,900	5,900	6,150	6,300	6,400	5,900	5,350	5,100	5,150	5,750
Service-producing	8,250	8,450	8,500	8,650	8,900	8,750	8,550	8,800	8,950	8,850	8,850	8,900	8,700
Government	4,200	4,350	4,350	4,350	4,450	4,350	4,100	4,200	4,500	4,550	4,650	4,650	4,400
Federal	250	250	250	250	300	300	300	300	300	250	300	250	300
State	350	350	350	350	350	350	400	400	400	350	350	350	350
Local	3,600	3,750	3,750	3,750	3,800	3,700	3,400	3,500	3,800	3,950	4,000	4,050	3,750

Notes: Annual averages may not add due to rounding.

Prepared in part with funding from the Alaska State Employment Security Division. Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Source: Alaska Department of Labor, Research and Analysis Section.

Benchmark: March 1991

Nonagricultural Wage and Salary Employment By Place of Work 1990 & 1991

FAIRBANKS NORTH STAR BOROUGH 1990

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	24,750	25,450	25,900	26,550	27,700	28,800	29,150	29,400	29,000	27,600	26,750	26,600	27,300
Goods-producing	1,600	1,700	1,750	1,900	2,450	2,850	3,000	3,000	2,650	2,350	1,950	1,700	2,250
Mining	50	100	100	150	200	200	300	300	250	200	200	150	200
Construction	1,050	1,100	1,150	1,200	1,650	1,950	2,000	2,000	1,750	1,550	1,200	1,050	1,450
Manufacturing	500	500	500	550	600	700	700	700	650	600	550	500	600
Service-producing	23,150	23,750	24,150	24,650	25,250	25,950	26,150	26,400	26,350	25,250	24,800	24,900	25,050
Transportation	1,750	1,700	1,750	1,850	1,950	2,050	2,100	2,200	2,300	2,150	1,950	1,950	2,000
Trucking & Warehousing	450	400	450	400	450	450	500	550	500	500	500	500	450
Air Transportation	400	400	400	400	450	450	450	500	500	450	450	450	450
Communication	300	300	300	300	300	300	300	300	300	300	300	300	300
Trade	5,350	5,300	5,400	5,550	6,250	6,450	6,650	6,700	6,450	5,950	5,800	5,800	5,950
Wholesale Trade	700	750	750	700	750	800	800	850	800	800	800	800	800
Retail Trade	4,650	4,550	4,650	4,850	5,500	5,650	5,850	5,850	5,650	5,150	5,000	5,000	5,200
Gen. Merch. & Apparel	600	500	500	500	550	600	600	650	600	600	650	650	600
Food Stores	750	750	750	800	800	850	850	850	800	800	800	800	800
Eating & Drinking Places	1,650	1,600	1,700	1,800	2,350	2,450	2,600	2,550	2,400	1,900	1,750	1,750	2,050
Finance-Ins. & Real Estate	850	850	900	900	900	950	950	950	900	900	850	850	900
Services & Misc.	5,750	5,850	5,900	6,000	6,150	6,550	6,550	6,800	6,450	6,050	6,000	6,050	6,200
Government	9,450	10,050	10,200	10,350	10,000	9,950	9,900	9,750	10,250	10,200	10,200	10,250	10,050
Federal	3,000	3,050	3,050	3,150	3,250	3,250	3,350	3,200	3,050	3,050	3,050	3,050	3,150
State	3,750	4,250	4,400	4,400	4,000	4,200	4,200	4,050	4,300	4,400	4,400	4,400	4,250
Local	2,700	2,750	2,750	2,800	2,750	2,500	2,350	2,450	2,750	2,750	2,750	2,800	2,700

FAIRBANKS NORTH STAR BOROUGH 1991

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	25,450	26,050	26,200	26,400	27,550	28,350	28,750	29,400	29,400	28,900	28,800	28,300	27,800
Goods-producing	1,600	1,500	1,550	1,700	2,150	2,550	2,800	2,900	2,800	2,550	2,150	1,900	2,200
Mining	150	150	150	200	200	250	250	250	250	250	200	200	200
Construction	950	850	850	950	1,300	1,650	1,850	1,950	1,850	1,650	1,350	1,100	1,350
Manufacturing	500	500	550	550	650	650	700	700	700	650	600	600	600
Service-producing	23,850	24,550	24,650	24,700	25,400	25,800	25,950	26,500	26,600	26,350	26,650	26,400	25,600
Transportation	1,800	1,800	1,800	1,800	1,950	2,200	2,200	2,250	2,250	2,150	2,050	2,150	2,050
Trucking & Warehousing	450	400	400	400	450	500	550	500	500	500	450	550	450
Air Transportation	450	450	450	450	500	500	500	500	500	500	450	500	500
Communication	300	300	300	300	300	300	350	350	350	350	350	350	350
Trade	5,700	5,700	5,750	5,850	6,600	6,800	6,900	6,900	6,650	6,700	6,750	6,700	6,400
Wholesale Trade	750	750	750	750	800	800	800	800	800	800	800	800	800
Retail Trade	4,950	4,950	5,000	5,100	5,800	6,000	6,100	6,100	5,850	5,900	5,950	5,900	5,650
Gen. Merch. & Apparel	600	550	550	550	550	600	600	650	650	1,050	1,150	1,150	700
Food Stores	800	800	850	750	800	800	850	850	800	850	850	800	800
Eating & Drinking Places	1,800	1,850	1,850	2,000	2,550	2,700	2,800	2,750	2,550	2,050	1,950	1,900	2,250
Finance-Ins. & Real Estate	950	900	900	900	950	1,050	1,100	1,100	1,100	1,050	1,050	1,000	1,000
Services & Misc.	5,800	6,000	6,000	5,950	6,250	6,500	6,600	7,000	6,450	6,150	6,100	6,050	6,250
Government	9,600	10,150	10,200	10,200	9,650	9,250	9,150	9,250	10,150	10,300	10,700	10,500	9,950
Federal	2,950	2,950	2,950	3,150	3,300	3,350	3,350	3,350	3,300	3,250	3,200	3,150	3,200
State	3,800	4,300	4,350	4,150	3,450	3,350	3,300	3,300	3,950	4,150	4,600	4,500	3,950
Local	2,850	2,900	2,900	2,900	2,900	2,550	2,500	2,600	2,900	2,900	2,900	2,850	2,800

Notes: Annual averages may not add due to rounding.

Prepared in part with funding from the Alaska State Employment Security Division. Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Source: Alaska Department of Labor, Research and Analysis Section.

Benchmark: March 1991

Nonagricultural Wage and Salary Employment By Place of Work 1990 & 1991

INTERIOR 1990

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	28,350	29,000	29,600	30,500	32,200	33,550	34,200	34,150	33,300	31,600	30,350	30,400	31,450
Goods-producing	1,800	1,850	1,950	2,100	2,800	3,150	3,350	3,300	2,950	2,650	2,100	1,950	2,500
Mining	200	250	250	300	400	400	500	500	450	400	350	350	350
Construction	1,100	1,100	1,200	1,250	1,750	2,050	2,100	2,100	1,800	1,600	1,200	1,100	1,550
Manufacturing	500	500	500	550	650	700	750	700	700	650	550	500	600
Service-producing	26,550	27,150	27,650	28,400	29,400	30,400	30,850	30,850	30,350	28,950	28,250	28,450	28,950
Transportation	1,900	1,850	1,950	2,050	2,200	2,400	2,450	2,500	2,600	2,350	2,150	2,150	2,200
Trade	5,700	5,600	5,700	5,900	6,700	6,900	7,150	7,150	6,850	6,300	6,150	6,100	6,350
Finance-Ins. & Real Estate	950	950	950	950	1,000	1,050	1,000	1,000	950	950	900	950	950
Services & Misc.	6,200	6,300	6,400	6,600	6,850	7,450	7,550	7,750	7,300	6,700	6,550	6,600	6,850
Government	11,800	12,450	12,650	12,900	12,650	12,600	12,700	12,450	12,650	12,650	12,500	12,650	12,550
Federal	3,550	3,650	3,650	3,800	3,950	4,000	4,100	4,000	3,900	3,650	3,600	3,650	3,800
State	4,050	4,550	4,700	4,700	4,350	4,700	4,950	4,750	4,700	4,700	4,650	4,650	4,600
Local	4,200	4,250	4,300	4,400	4,350	3,900	3,650	3,700	4,050	4,300	4,250	4,350	4,150

INTERIOR 1991

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Total Nonag. Wage & Salary	28,850	29,450	29,700	30,000	31,650	32,550	33,500	34,000	33,800	33,300	32,750	32,200	31,800
Goods-producing	1,750	1,600	1,650	1,850	2,400	2,750	3,050	3,150	3,050	2,750	2,350	2,100	2,350
Mining	250	250	250	350	400	450	450	450	450	400	350	350	350
Construction	1,000	850	850	950	1,350	1,650	1,900	2,000	1,900	1,700	1,400	1,150	1,400
Manufacturing	500	500	550	550	650	650	700	700	700	650	600	600	600
Service-producing	27,100	27,850	28,050	28,150	29,250	29,800	30,450	30,850	30,750	30,550	30,400	30,100	29,450
Transportation	1,950	1,950	1,950	2,000	2,200	2,500	2,650	2,700	2,650	2,550	2,400	2,400	2,350
Trade	6,000	5,950	6,050	6,150	6,950	7,250	7,350	7,350	7,050	7,100	7,100	7,050	6,800
Finance-Ins. & Real Estate	1,000	1,000	1,000	1,000	1,050	1,100	1,150	1,200	1,150	1,150	1,100	1,100	1,100
Services & Misc.	6,300	6,500	6,500	6,400	6,950	7,150	7,500	7,950	7,250	6,750	6,600	6,550	6,850
Government	11,850	12,450	12,550	12,600	12,100	11,800	11,800	11,650	12,650	13,000	13,200	13,000	12,400
Federal	3,550	3,550	3,550	3,800	4,000	4,150	4,150	4,150	4,100	4,050	3,800	3,750	3,900
State	4,000	4,550	4,600	4,450	3,750	3,750	3,950	3,650	4,250	4,450	4,900	4,800	4,250
Local	4,300	4,350	4,400	4,350	4,350	3,900	3,700	3,850	4,300	4,500	4,500	4,450	4,250

Notes: Annual averages may not add due to rounding.

Prepared in part with funding from the Alaska State Employment Security Division. Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Source: Alaska Department of Labor, Research and Analysis Section.

Benchmark: March 1991

Alaska Hours and Earnings for Selected Industries 1991 Annual Averages

Average Weekly Earnings 1991

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Mining	\$1,222.10	\$1,185.24	\$1,170.75	\$1,154.87	\$1,134.84	\$1,180.41	\$1,202.47	\$1,126.68	\$1,144.27	\$1,118.29	\$1,147.08	\$1,186.09	\$1,164.11
Construction	968.99	970.11	990.78	1,030.75	1,058.59	1,112.94	1,127.28	1,112.13	1,156.87	1,135.44	1,024.25	1,006.61	1,073.97
Manufacturing	471.04	525.39	524.81	566.23	520.36	531.70	517.16	591.74	532.51	543.05	497.76	471.33	528.96
Seafood Processing	389.71	468.76	440.26	494.28	403.01	426.29	459.72	544.50	441.21	402.11	364.51	395.60	447.78
Trans., Comm. & Utilities	578.59	584.12	574.00	590.54	592.71	664.60	655.45	642.33	621.79	622.17	634.66	665.23	620.52
Trade	346.65	350.28	358.21	354.41	361.07	372.62	355.55	352.77	363.21	352.27	350.20	353.84	356.32
Wholesale	563.86	584.51	593.88	575.78	576.97	626.36	589.25	590.04	612.00	583.30	576.80	610.72	590.44
Retail	304.11	303.96	310.99	310.69	319.80	324.25	311.38	308.14	315.49	308.20	309.12	305.60	310.75
Finance-Ins. & R.E.	389.76	389.42	403.03	397.65	388.11	412.06	405.26	401.54	419.80	413.97	417.25	420.55	405.43

Average Weekly Hours 1991

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Mining	50.5	49.8	48.7	48.2	49.0	51.3	52.1	49.2	49.6	48.6	48.4	49.4	49.6
Construction	42.8	41.6	42.0	43.4	44.2	45.8	46.2	46.3	47.2	45.6	42.5	42.1	44.6
Manufacturing	42.9	49.8	46.9	49.8	42.1	45.6	49.3	55.2	43.9	40.8	40.7	41.2	46.4
Seafood Processing	47.7	57.8	52.6	55.6	42.2	47.0	52.6	60.5	46.2	41.2	40.1	44.6	50.2
Trans., Comm. & Utilities	33.1	34.0	32.8	33.9	34.4	37.4	35.7	35.1	35.9	34.7	35.2	35.9	34.9
Trade	31.6	31.5	32.3	31.9	32.5	33.6	32.5	33.0	33.2	32.2	33.1	33.1	32.6
Wholesale	38.7	40.2	40.4	39.6	39.6	41.1	39.6	39.6	40.0	38.0	38.3	40.1	39.6
Retail	30.2	29.8	30.7	30.4	31.2	32.2	31.2	31.8	31.9	31.1	32.2	31.8	31.2
Finance-Ins. & R.E.	33.6	33.6	34.3	33.9	33.4	35.4	33.8	33.8	35.1	34.1	34.8	35.4	34.3

Average Hourly Earnings 1991

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
Mining	\$24.20	\$23.80	\$24.04	\$23.96	\$23.16	\$23.01	\$23.08	\$22.90	\$23.07	\$23.01	\$23.70	\$24.01	\$23.47
Construction	22.64	23.32	23.59	23.75	23.95	24.30	24.40	24.02	24.51	24.90	24.10	23.91	24.08
Manufacturing	10.98	10.55	11.19	11.37	12.36	11.66	10.49	10.72	12.13	13.31	12.23	11.44	11.40
Seafood Processing	8.17	8.11	8.37	8.89	9.55	9.07	8.74	9.00	9.55	9.76	9.09	8.87	8.92
Trans., Comm. & Utilities	17.48	17.18	17.50	17.42	17.23	17.77	18.36	18.30	17.32	17.93	18.03	18.53	17.78
Trade	10.97	11.12	11.09	11.11	11.11	11.09	10.94	10.69	10.94	10.94	10.58	10.69	10.93
Wholesale	14.57	14.54	14.70	14.54	14.57	15.24	14.88	14.90	15.30	15.35	15.06	15.23	14.91
Retail	10.07	10.20	10.13	10.22	10.25	10.07	9.98	9.69	9.89	9.91	9.60	9.61	9.96
Finance-Ins. & R.E.	11.60	11.59	11.75	11.73	11.62	11.64	11.99	11.88	11.96	12.14	11.99	11.88	11.82

Notes: Annual averages may not add due to rounding.

Prepared in part with funding from the Alaska State Employment Security Division. Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Source: Alaska Department of Labor, Research and Analysis Section.

Benchmark: March 1991

Annual Average Labor Force Data by Census Area — 1989-1991

	Labor Force			Unemployment			Rate %			Employment		
	1989	1990	1991	1989	1990	1991	1989	1990	1991	1989	1990	1991
Alaska Statewide	253,000	257,000	258,000	17,000	18,000	22,000	6.7	7.0	8.5	236,000	239,000	236,000
Anch.-MatSu Region	128,975	132,762	133,561	7,596	8,055	10,022	5.9	6.1	7.5	121,379	124,707	123,539
Munic. of Anchorage	114,256	117,215	116,738	5,803	6,147	7,776	5.1	5.2	6.7	108,453	111,068	108,962
MatSu Borough	14,719	15,546	16,823	1,793	1,908	2,246	12.2	12.3	13.4	12,926	13,638	14,577
Gulf Coast Region	30,825	30,799	30,998	2,408	2,936	3,457	7.8	9.5	11.2	28,417	27,863	27,541
Kenai Peninsula Borough	19,191	19,138	19,338	1,779	2,066	2,463	9.3	10.8	12.7	17,412	17,072	16,875
Kodiak Island Borough	6,949	6,845	6,962	315	340	532	4.5	5.0	7.6	6,634	6,505	6,430
Valdez-Cordova	4,684	4,815	4,698	313	530	462	6.7	11.0	9.8	4,371	4,285	4,236
Interior Region	35,973	35,741	35,666	3,217	3,264	3,904	8.9	9.1	10.9	32,756	32,477	31,762
Fairbanks North Star Bor.	31,007	30,810	30,765	2,605	2,650	3,225	8.4	8.6	10.5	28,402	28,160	27,540
Southeast Fairbanks	2,031	2,051	2,033	216	251	273	10.6	12.2	13.4	1,815	1,800	1,760
Yukon-Koyukuk	2,936	2,881	2,868	397	363	406	13.5	12.6	14.2	2,539	2,518	2,462
Northern Region	8,075	8,286	8,346	647	658	812	8.0	7.9	9.7	7,428	7,628	7,534
Nome	3,015	3,061	3,102	298	271	346	9.9	8.9	11.2	2,717	2,790	2,756
North Slope Borough	2,948	2,992	2,990	138	107	140	4.7	3.6	4.7	2,810	2,885	2,850
Northwest Arctic Borough	2,113	2,232	2,255	211	280	326	10.0	12.5	14.5	1,902	1,952	1,929
Southeast Region	36,013	36,304	35,592	2,498	2,420	2,996	6.9	6.7	8.4	33,515	33,884	32,596
Haines Borough	876	878	935	79	72	160	9.0	8.2	17.1	797	806	775
Juneau Borough	15,955	16,085	15,689	798	762	948	5.0	4.7	6.0	15,157	15,323	14,741
Ketchikan Gateway Bor.	6,717	6,821	6,702	506	542	662	7.5	7.9	9.9	6,211	6,279	6,040
Pr. of Wales-Outer Ketch	2,794	2,793	2,787	322	294	383	11.5	10.5	13.7	2,472	2,499	2,404
Sitka Borough	4,176	4,211	4,099	228	220	259	5.5	5.2	6.3	3,948	3,991	3,840
Skagway-Yakutat-Angoon	1,769	1,796	1,740	226	236	239	12.8	13.1	13.7	1,543	1,560	1,501
Wrangell-Petersburg	3,728	3,719	3,640	340	294	345	9.1	7.9	9.5	3,388	3,425	3,295
Southwest Region	13,138	13,108	13,838	633	667	810	4.8	5.1	5.9	12,505	12,441	13,028
Aleutians East Borough	930	920	974	14	9	20	1.5	1.0	2.1	916	911	954
Aleutians West	2,600	2,584	2,721	35	32	49	1.3	1.2	1.8	2,565	2,552	2,672
Bethel	5,039	5,028	5,324	299	312	386	5.9	6.2	7.3	4,740	4,716	4,938
Bristol Bay Borough	508	505	533	24	24	29	4.7	4.8	5.4	484	481	504
Dillingham	2,380	2,373	2,495	115	120	136	4.8	5.1	5.5	2,265	2,253	2,359
Wade Hampton	1,684	1,699	1,791	147	170	190	8.7	10.0	10.6	1,537	1,529	1,601

Notes: Benchmark: March 1991

- Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey in formulas used to allocate federal funds.
- Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor.
- The official definition of unemployment currently in place excludes anyone who has made no attempt to find work in the four-week period up to and including the week that includes the 12th of each month. Most Alaska economists believe that Alaska's rural localities have proportionately more of these discouraged workers.
- The employment numbers that appear above are definitionally different from those that appear in the Nonagricultural Wage & Salary Employment tables.

Source: Alaska Department of Labor, Research & Analysis Section.

Employment and Unemployment Keep Growing

By Neal Fried

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Unemployment Surges In January

The good news in January was that employment continued to grow in 1992—an important point that should not be lost. The not-so-good news was that the unemployment rate continued to climb for seasonal reasons and because of a deteriorating job market.

Alaska's January unemployment rate reached 11.6%—the highest January unemployment rate recorded since 1987. The seasonal factors which pushed Alaska's winter unemployment rate were layoffs in the construction and retail trade industries. The weather was the culprit for construction's losses and the end of the Christmas season caused layoffs in retail trade. These seasonal increases are an annual affair and no cause for alarm.

The fact that January's unemployment rate was 2.2 points higher than January 1991, along with the fact that

5,600 additional people were unemployed, is strong evidence that Alaska's job picture continues to worsen. The upward trend in Alaska's unemployment rate, appears to be gaining momentum. (See Figure 1.) Although Alaska's economy continues to add jobs, they are not enough to absorb the ever-increasing numbers of job seekers heading north. This portends a very competitive job market for the rest of the year.

This is not the first time employment has grown at the same time unemployment has surged. Like today, thousands of victims of the 1982 national recession headed to Alaska looking for work. Unemployment rates in Alaska soared as high, and often times higher, than the present rates. One major difference, however, was that Alaska's wage and salary employment was growing at two-and-a-half times the present rate. This facilitated the absorption of these job seekers. One possible positive difference is that unemployment nationally has not

reached the levels of the last recession, although this recession has already lasted longer. One thing is certain: Alaska's unemployment picture will not likely brighten until there is considerable improvement in the national employment picture.

All regions in Alaska had higher unemployment rates in January than a year ago. In Southeast Alaska, three areas unemployment rates exceeded 20%. (See Table 4.) All these areas were affected by cutbacks in the timber industry. The Gulf Coast region's unemployment soared, topped by the Kenai Peninsula Borough at 20%. The Peninsula's higher rate came as a result of a softening in the oil industry picture, the Seward mill shut down, losses in retail trade and an increase in out-of-state job

Figure • 1

Alaska's Unemployment Rate Skyrockets In January

Source: Alaska Department of Labor, Research and Analysis Section.

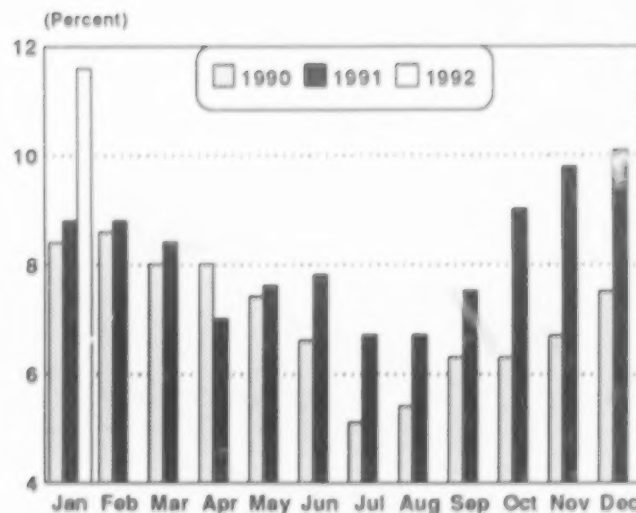


Table • 1

Nonagricultural Wage and Salary Employment by Place of Work — Alaska & Municipality of Anchorage

Alaska

	Changes from:				
	p/ 1/92	r/ 12/91	1/91	12/91	1/91
Total Nonag. Wage & Salary	228,900	237,500	223,300	-8,600	5,600
Goods-producing	32,700	34,000	32,300	-1,300	400
Mining	10,700	10,800	11,300	-100	-600
Construction	8,000	9,200	7,700	-1,200	300
Manufacturing	14,000	14,000	13,300	0	700
Durable Goods	1,900	2,600	2,200	-700	-300
Lumber & Wood Products	1,300	2,000	1,600	-700	-300
Nondurable Goods	12,100	11,400	11,100	700	1,000
Seafood Processing	8,200	7,500	7,200	700	1,000
Pulp Mills	900	900	900	0	0
Service-producing	196,200	203,500	191,000	-7,300	5,200
Transportation	20,600	21,300	19,600	-700	1,000
Trucking & Warehousing	2,700	2,900	2,500	-200	200
Water Transportation	1,000	1,300	1,000	-300	0
Air Transportation	6,800	6,900	6,400	-100	400
Communications	3,400	3,500	3,400	-100	0
Trade	44,800	47,100	43,900	-2,300	900
Wholesale Trade	7,400	7,600	7,400	-200	0
Retail Trade	37,400	39,500	36,500	-2,100	900
Gen. Merch. & Apparel	6,300	7,300	5,700	-1,000	600
Food Stores	7,000	7,100	6,600	-100	400
Eating & Drinking Places	12,300	12,800	12,100	-500	200
Finance-Ins. & Real Estate	10,500	10,700	10,400	-200	100
Services & Misc.	49,100	50,500	48,300	-1,400	800
Hotels & Lodging Places	4,300	4,900	4,200	-600	100
Health Services	11,100	11,100	10,800	0	300
Government	71,200	73,900	68,800	-2,700	2,400
Federal	18,400	19,100	17,900	-700	500
State	20,500	21,700	19,900	-1,200	600
Local	32,300	33,100	31,000	-800	1,300

Notes: Prepared in cooperation with the U.S. Bureau of Labor Statistics.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear here are definitionally different from those that appear in the Labor Force table.

Benchmark: March 1991
p/ denotes preliminary estimates

r/ denotes revised estimates

Source: Alaska Department of Labor, Research & Analysis Section.

seekers. Kodiak's unemployment rate tripled, an even more dramatic increase than Kenai's. This happened because a number of processors shut down for part of this winter season; others cut the size of their crews because there were fewer bottomfish to process. These two regions are merely examples of what is happening around the state. Some areas have higher unemployment rates because of declines in local industries while others are experiencing a surge in job seekers. For most areas, higher unemployment can be attributed to a combination of these factors.

Alaska's economy is still generating more jobs

Despite the fact that Alaska is plagued by ever-higher unemployment rates, Alaska's economy is still managing to grow. In fact, in January nearly all of Alaska's industries employed more people this year than they did a year ago. (See Figure 2.)

The star performer in January was seafood processing, which added 700 jobs over-the-month and 1,000 over-the-year. A good portion of the explanation for this increase is bottomfish activity. Most of the employment growth is not because more fish are being harvested but because more of the catch is being processed on-shore. Shore-based processing capacity has increased in the last year—particularly in

Municipality of Anchorage

	Changes from:				
	p/ 1/92	r/ 12/91	1/91	12/91	1/91
Total Nonag. Wage & Salary	108,800	113,900	106,300	-5,100	2,500
Goods-producing	10,200	11,100	10,300	-900	-100
Mining	3,600	-3,600	3,800	0	-200
Construction	4,400	5,100	4,300	-700	100
Manufacturing	2,200	2,400	2,200	-200	0
Service-producing	98,600	102,800	96,000	-4,200	2,600
Transportation	11,300	11,700	10,900	-400	400
Communications	2,200	2,200	2,000	0	200
Trade	25,100	26,700	25,100	-1,600	0
Wholesale Trade	5,500	5,700	5,500	-200	0
Retail Trade	19,600	21,000	19,600	-1,400	0
Food Stores	3,400	3,400	3,100	0	300
Finance-Ins. & Real Estate	6,700	6,600	6,600	100	100
Services & Misc.	28,400	29,400	27,400	-1,000	1,000
Hotels & Lodging Places	2,200	2,500	2,200	-300	0
Health Services	6,100	6,100	5,800	0	300
Government	27,100	28,400	26,000	-1,300	1,100
Federal	10,700	11,000	10,300	-300	400
State	7,500	8,300	7,300	-800	200
Local	8,900	9,100	8,400	-200	500

Table • 2

Nonagricultural Wage and Salary Employment By Place of Work

Southeast Region

	p/ 1/92	r/ 12/91	Changes from:		
			1/91	12/91	1/91
Total Nonag. Wage & Salary	30,250	31,850	29,500	-1,600	750
Goods-producing	4,300	5,200	4,150	-900	150
Mining	300	300	350	0	-50
Construction	950	1,200	800	-250	150
Manufacturing	3,050	3,700	3,000	-650	50
Durable Goods	1,150	1,800	1,350	-650	-200
Lumber & Woods Products	1,100	1,750	1,300	-650	-200
Nondurable Goods	1,900	1,900	1,650	0	250
Seafood Processing	800	750	550	50	250
Pulp Mills	900	900	900	0	0
Service-producing	25,950	26,650	25,350	-700	600
Transportation	2,150	2,250	2,150	-100	0
Trade	5,300	5,550	4,950	-250	350
Wholesale Trade	550	550	500	0	50
Retail Trade	4,750	5,000	4,450	-250	300
Finance-Ins. & Real Estate	1,100	1,150	1,100	-50	0
Services & Misc.	5,150	5,400	5,000	-250	150
Government	12,250	12,300	12,150	-50	100
Federal	1,800	1,950	1,900	-150	-100
State	5,500	5,300	5,400	200	100
Local	4,950	5,050	4,850	-100	100

Fairbanks North Star Borough

	p/ 1/92	r/ 12/91	Changes from:		
			1/91	12/91	1/91
Total Nonag. Wage & Salary	26,900	28,300	25,450	-1,400	1,450
Goods-producing	1,750	1,900	1,600	-150	150
Mining	200	200	150	0	50
Construction	1,000	1,100	950	-100	50
Manufacturing	550	600	500	-50	50
Service-producing	25,150	26,400	23,850	-1,250	1,300
Transportation	2,000	2,150	1,800	-150	200
Trucking & Warehousing	450	550	450	-100	0
Air Transportation	500	500	450	0	50
Communication	300	350	300	-50	0
Trade	6,350	6,700	5,700	-350	650
Wholesale Trade	750	800	750	-50	0
Retail Trade	5,600	5,900	4,950	-300	650
Gen. Merch. & Apparel	1,000	1,150	600	-150	400
Food Stores	800	800	800	0	0
Eating & Drinking Places	1,900	1,900	1,800	0	100
Finance-Ins. & Real Estate	1,000	1,000	950	0	50
Services & Misc.	5,950	6,050	5,800	-100	150
Government	9,850	10,500	9,600	-650	250
Federal	3,050	3,150	2,950	-100	100
State	3,950	4,500	3,800	-550	150
Local	2,850	2,850	2,850	0	0

Anchorage-MatSu Region

	p/ 1/92	r/ 12/91	Changes from:		
			1/91	12/91	1/91
Total Nonag. Wage & Salary	116,400	121,700	113,900	-5,300	2,500
Goods-producing	10,750	11,750	10,850	-1,000	-100
Mining	3,750	3,800	3,950	-50	-200
Construction	4,700	5,450	4,650	-750	50
Manufacturing	2,300	2,500	2,250	-200	50
Service-producing	105,650	109,950	103,050	-4,300	2,600
Transportation	12,100	12,500	11,600	-400	500
Trade	27,050	28,650	27,050	-1,600	0
Finance-Ins. & Real Estate	6,950	6,950	6,900	0	50
Service & Misc.	29,750	30,700	28,950	-950	800
Government	29,800	31,150	28,550	-1,350	1,250
Federal	10,800	11,100	10,400	-300	400
State	8,300	9,100	8,050	-800	250
Local	10,700	10,950	10,100	-250	600

Interior Region

	p/ 1/92	r/ 12/91	Changes from:		
			1/91	12/91	1/91
Total Nonag. Wage & Salary	30,650	32,200	28,850	-1,550	1,800
Goods-producing	1,850	2,100	1,750	-250	100
Mining	300	350	250	-50	50
Construction	1,000	1,150	1,000	-150	0
Manufacturing	550	600	500	-50	50
Service-producing	28,800	30,100	27,100	-1,300	1,700
Transportation	2,250	2,400	1,950	-150	300
Trade	6,700	7,050	6,000	-350	700
Finance-Ins. & Real Estate	1,050	1,100	1,000	-50	50
Services & Misc.	6,400	6,550	6,300	-150	100
Government	12,400	13,000	11,850	-600	550
Federal	3,700	3,750	3,550	-50	150
State	4,250	4,800	4,000	-550	250
Local	4,450	4,450	4,300	0	150

Table • 2

Nonagricultural Wage and Salary Employment By Place of Work

Northern Region

	p/ 1/92	r/ 12/91	Changes from:		
			1/91	12/91	1/91
Total Nonag. Wage & Salary	14,250	14,600	14,200	-350	50
Goods-producing	5,600	5,700	5,950	-100	-350
Mining	5,150	5,150	5,500	0	-350
Service-producing	8,650	8,900	8,250	-250	400
Government	4,450	4,650	4,200	-200	250
Federal	250	250	250	0	0
State	350	350	350	0	0
Local	3,850	4,050	3,600	-200	250

Gulf Coast Region

	p/ 1/92	r/ 12/91	Changes from:		
			1/91	12/91	1/91
Total Nonag. Wage & Salary	21,300	22,200	21,550	-900	-250
Goods-producing	4,850	5,200	5,350	-350	-500
Mining	1,150	1,200	1,300	-50	-150
Construction	800	900	800	-100	0
Manufacturing	2,900	3,100	3,250	-200	-350
Seafood Processing	2,100	2,250	2,400	-150	-300
Service-producing	16,450	17,000	16,200	-550	250
Transportation	2,000	2,050	1,850	-50	150
Trade	3,650	3,850	3,700	-200	-50
Wholesale Trade	400	450	400	-50	0
Retail Trade	3,250	3,400	3,300	-150	-50
Finance-Ins. & Real Estate	600	600	550	0	50
Services & Misc.	4,350	4,400	4,250	-50	100
Government	5,850	6,100	5,850	-250	0
Federal	450	500	500	-50	-50
State	1,600	1,800	1,600	-200	0
Local	3,800	3,800	3,750	0	50

Southwest Region

	p/ 1/92	r/ 12/91	Changes from:		
			1/91	12/91	1/91
Total Nonag. Wage & Salary	16,800	15,900	15,250	900	1,550
Goods-producing	5,350	4,250	4,350	1,100	1,000
Seafood Processing	5,150	4,000	4,100	1,150	1,050
Service-producing	11,450	11,650	10,900	-200	550
Government	6,400	6,600	6,150	-200	250
Federal	1,350	1,350	1,250	0	100
State	500	550	500	-50	0
Local	4,550	4,700	4,400	-150	150

Municipality of Anchorage — Other

	p/ 1/92	r/ 12/91	Changes from:		
			1/91	12/91	1/91
Durable Goods	400	400	400	0	0
Nondurable Goods	1,800	2,000	1,800	-200	0
Trucking & Warehousing	1,600	1,800	1,600	-200	0
Water Transportation	300	300	200	0	100
Air Transportation	4,200	4,300	4,100	-100	100
Gen. Merch. & Apparel	3,000	3,700	3,000	-700	0
Food Stores	3,400	3,400	3,100	0	300

Notes: Prepared in part with funding from the Alaska State Employment Security Division.
Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear here are definitionally different from those that appear in the Labor Force table.

Benchmark: March 1991
p/ denotes preliminary estimates
r/ denotes revised estimates

Source: Alaska Department of Labor, Research & Analysis Section.

Dutch Harbor. However, bottomfish activity cannot claim all of the credit for this spectacular growth. The crab boom taking place in the Bering Sea is the other reason. Just three years ago 162 million pounds of opilio (snow) crab were harvested in southwestern Alaska. In 1991, 330 million pounds were harvested. In 1992, 400 million pounds is allocated for the region. In this light, it is not surprising that the southwest region of the state is one of the few areas in the state that enjoys relatively low unemployment rates.

Construction employment fell in January because of colder weather. The industry, however, is still employing more people than it did a year ago. The gains are relatively modest—but they are gains never-the-less. The profile of the industry has changed. Prior to 1991 the industry was dominated by military-related and other public construction. Its mix has broadened to include a significant amount of residential and commercial construction activity. Publicly-funded construction still dominates the sector but private construction has given the industry an extra boost—helping to stave off industry declines.

At nearly all levels, Alaska's public sector put in a strong showing in January. On the federal level, employment was up by 3% or by 550 jobs. Growth came both on the military and the civilian sides of the federal government. Most of the growth on the military side has come from what the military calls nonappropriated funds personnel, which includes the post and base exchanges, other retail-type operations and entertainment facilities. Their facilities have expanded considerably during the past two years in Fairbanks, Anchorage and elsewhere where there are military facilities. On the civilian side the FAA, the Veterans Administration and smaller increases in other federal departments are occurring. The increases in the VA's personnel is in anticipation of the opening of the new Veterans Clinic in Anchorage in April.

Most of the growth in state government has been on the University level. The rest of state government was up 1% over January 1991.

At the local level nearly all of the over-the-year growth has come from the state's school districts. Their num-

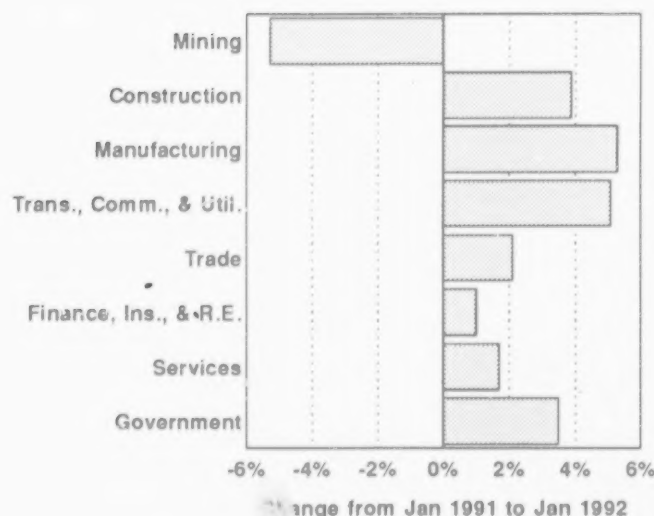
bers were 750 higher than in January 1991. State-wide, secondary school enrollment climbed by 4% during the past school year. Other than school district employment, there has been little change in local government employment. In fact, the work forces of most local governments are smaller today than they were a year ago.

Cost of living moderates in Anchorage

The long-awaited Anchorage consumer price index was recently released by the Bureau of Labor Statistics. Prices for all urban consumers in Anchorage increased by 4.6% in 1991—a smaller increase than the 6.2% increase of 1990. The Consumer Price Index slowed in 1991 because housing costs, the largest component of this

Figure • 2

Most Industries Still Growing in January



Source: Alaska Department of Labor, Research and Analysis Section.

Alaska Hours and Earnings for Selected Industries

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	p/ 1/92	r/ 12/91	1/91	p/ 1/92	r/ 12/91	1/91	p/ 1/92	r/ 12/91	1/91
Mining	\$1,177.36	\$1,186.09	\$1,222.10	49.2	49.4	50.5	\$23.93	\$24.01	\$24.20
Construction	939.25	1,006.61	968.99	39.9	42.1	42.8	23.54	23.91	22.64
Manufacturing	401.06	471.33	471.04	37.8	41.2	42.9	10.61	11.44	10.98
Seafood Processing	307.62	395.60	389.74	38.5	44.6	47.7	7.99	8.87	8.17
Trans., Comm. & Utilities	623.94	665.23	578.59	33.1	35.9	33.1	18.85	18.53	17.48
Trade	352.96	353.84	346.65	32.0	33.1	31.6	11.03	10.69	10.97
Wholesale	594.19	610.72	563.86	37.3	40.1	38.7	15.93	15.23	14.57
Retail	306.28	305.60	304.11	31.0	31.8	30.2	9.88	9.61	10.07
Finance-Ins. & R.E.	411.93	420.55	389.76	34.5	35.4	33.6	11.94	11.88	11.60

Notes:
Prepared in cooperation with the
U.S. Department of Labor, Bureau
of Labor Statistics.

p/ denotes preliminary estimates
r/ denotes revised estimates
Benchmark: March 1991

Averages are based on data for
full- and part-time production
workers (manufacturing) and
nonsupervisory workers
(nonmanufacturing) and are for
gross earnings and hours paid,
including overtime pay and hours.

Source: Alaska Department of
Labor, Research & Analysis
Section.

index, moderated during the last half of the year. Declines in clothing and energy costs also tempered the increase. Medical care costs, however, increased by 7.6% in 1991. Nationally the comparable index increased 4.2%. Although this index measures only price changes for Anchorage, its use is popular throughout the state. One of its most popular uses is as an escalator for wages, child support and lease agreements. Others use it as a measure when considering compensation levels.

Summary—Finding a job gets more difficult in the new year

Alaska's economy opened the new year on a mixed note. Employment still grew, but finding one of those jobs became more difficult. The number of new job seekers is still growing faster than the number of new jobs. Alaska's labor market remains a hostage of the national recession. The state's job outlook will only begin to brighten when the national employment picture improves.

Most of Alaska's industries are still growing. Seafood processing remains one of the top performers. Bottom-fish activity is still one of the biggest contributors, but a booming opilio (snow) crab harvest in the Bering Sea is lending a helping hand. Construction is managing to eke out some growth. It is getting some help from increased activity in residential and commercial activity. The public sector provided a significant boost to the employ-

ment picture in January. Job growth came from the federal, state and local governments. Much of the growth on the federal level came from military-related activities. Education boosted state and local government's employment.

Simultaneous increases in unemployment and employment are nothing new in Alaska. It has occurred during earlier national recessions. How competitive the job market will ultimately get in 1992 will be determined by how long and deep the national recession plays out and how much more Alaska's economy will expand.

Table • 4

Labor Force By Region and Census Area

	Labor Force			Unemployment			Rate %			Employment		
	p/ 1/92	r/ 12/91	1/91	p/ 1/92	r/ 12/91	1/91	p/ 1/92	r/ 12/91	1/91	p/ 1/92	r/ 12/91	1/91
Alaska Statewide	251,116	253,109	251,423	29,123	25,471	23,551	11.6	10.1	9.4	221,993	227,638	227,872
Anch.-MatSu Region	130,815	133,349	132,338	12,437	11,331	10,115	9.5	8.5	7.6	118,378	122,018	122,223
Munic. of Anchorage	114,205	116,772	115,459	9,432	8,566	7,694	8.3	7.3	6.7	104,773	108,206	107,765
MatSu Borough	16,610	16,577	16,879	3,005	2,765	2,421	18.1	16.7	14.3	13,605	13,812	14,458
Gulf Coast Region	28,871	28,539	28,880	5,328	4,493	3,737	18.5	15.7	12.9	23,543	24,046	25,143
Kenai Peninsula Borough	18,033	17,851	18,203	3,608	3,117	2,797	20.0	17.5	15.4	14,425	14,734	15,406
Kodiak Island Borough	6,524	6,505	6,183	1,027	891	313	15.7	13.7	5.1	5,497	5,614	5,870
Valdez-Cordova	4,314	4,183	4,494	693	485	627	16.1	11.6	14.0	3,621	3,698	3,867
Interior Region	35,440	35,819	34,635	4,951	4,267	4,284	14.0	11.9	12.4	30,489	31,552	30,351
Fairbanks North Star Bor.	30,507	30,850	29,761	4,070	3,492	3,445	13.3	11.3	11.6	26,437	27,358	26,316
Southeast Fairbanks	2,115	2,100	2,055	426	352	373	20.1	16.8	18.2	1,689	1,748	1,682
Yukon-Koyukuk	2,818	2,869	2,819	455	423	466	16.1	14.7	16.5	2,363	2,446	2,353
Northern Region	8,273	8,260	8,186	1,007	869	687	12.2	10.5	8.4	7,266	7,391	7,499
Nome	3,119	3,094	3,047	461	391	303	14.8	12.6	9.9	2,658	2,703	2,744
North Slope Borough	2,901	2,933	2,984	153	137	148	5.3	4.7	5.0	2,748	2,796	2,836
Northwest Arctic Borough	2,253	2,233	2,155	393	341	236	17.4	15.3	11.0	1,860	1,892	1,919
Southeast Region	33,060	33,958 *	34,028	4,394	3,685	3,945	13.1	10.9	11.6	29,266	30,273	30,083
Haines Borough	901	875	844	205	155	129	22.8	17.7	15.3	696	720	715
Juneau Borough	14,508	14,804	14,651	1,273	1,114	1,047	8.8	7.5	7.1	13,235	13,690	13,604
Ketchikan Gateway Bor.	6,532	6,451	6,557	1,109	841	982	17.0	13.0	15.0	5,423	5,610	5,575
Pr. of Wales-Outer Ketch.	2,745	2,686	2,756	587	453	537	21.4	16.9	19.5	2,158	2,233	2,219
Sitka Borough	3,750	3,920	3,880	303	354	336	8.1	9.0	8.7	3,447	3,566	3,544
Skagway-Yakutat-Angoon	1,748	1,677	1,771	400	283	386	22.9	16.9	21.8	1,348	1,394	1,385
Wrangell-Petersburg	3,476	3,545	3,569	517	485	528	14.9	13.7	14.8	2,959	3,060	3,041
Southwest Region	14,057	13,184	13,356	1,006	826	783	7.2	6.3	5.9	13,051	12,358	12,573
Aleutians East Borough	984	926	931	29	21	11	2.9	2.3	1.2	955	905	920
Aleutians West	2,724	2,576	2,633	47	42	54	1.7	1.6	2.1	2,677	2,534	2,579
Bethel	5,415	5,051	5,156	468	367	390	8.6	7.3	7.6	4,947	4,684	4,766
Bristol Bay Borough	567	518	534	62	40	48	10.9	7.7	9.0	505	478	486
Dillingham	2,565	2,414	2,402	202	176	125	7.9	7.3	5.2	2,363	2,238	2,277
Wade Hampton	1,802	1,699	1,700	198	180	155	11.0	10.6	9.1	1,604	1,519	1,545

Notes: p/ denotes preliminary estimates

r/ denotes revised estimates

Benchmark: March 1991

- * Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey in formulas used to allocate federal funds.
 - * Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor.
 - * The official definition of unemployment currently in place excludes anyone who has made no attempt to find work in the four-week period up to and including the week that includes the 12th of each month. Most Alaska economists believe that Alaska's rural localities have proportionately more of these discouraged workers.
 - * The employment numbers that appear above are definitionally different from those that appear in the Nonagricultural Wage & Salary Employment tables.
- Source: Alaska Department of Labor, Research & Analysis Section.

Anchorage Employment Service
Phone: 264-2631

Kotzebue Employment Service
Phone: 442-3280

Kodiak Employment Service
Phone: 486-3105

Bethel Employment Service
Phone: 543-2210

Nome Employment Service
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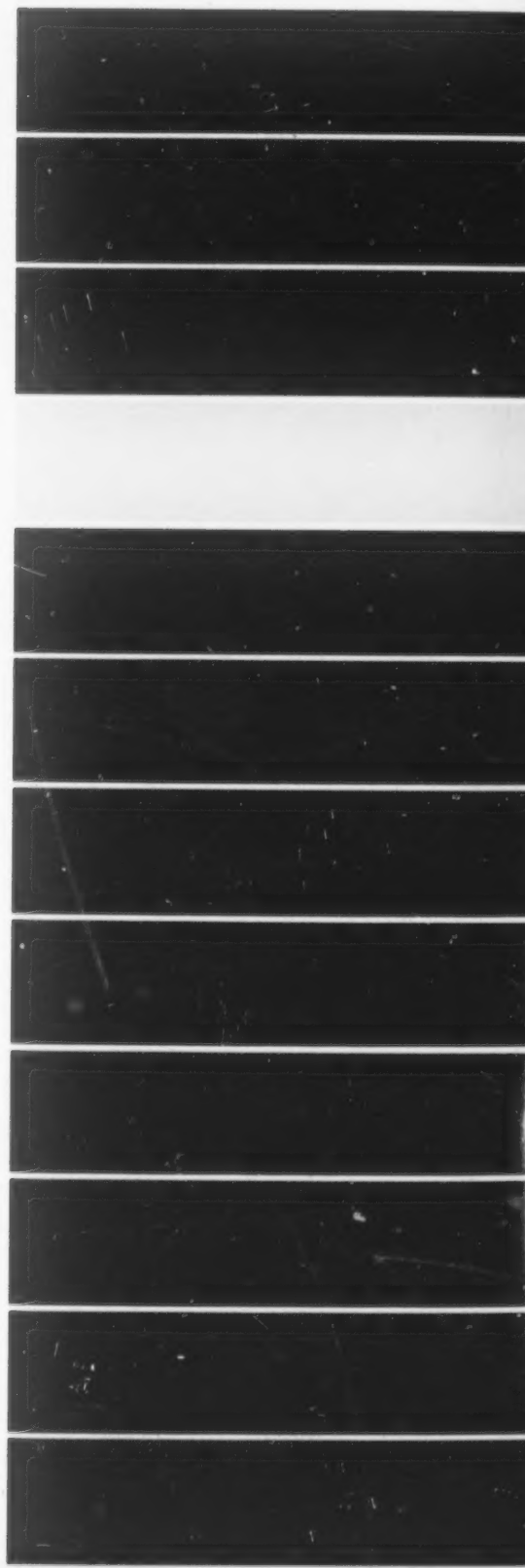
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ALASKA ECONOMIC TRENDS



May 1992

FORECAST:

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YEAR IN REVIEW:
SLOWER GROWTH IN 1991

ALASKA'S EMPLOYMENT SCENE
JOBS RISE, UNEMPLOYMENT FALLS

ALASKA DEPARTMENT OF LABOR
WALTER J. HICKEL, GOVERNOR

ALASKA ECONOMIC

TRENDS

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**May 1992
Volume 12
Number 5**

Alaska State Employment Service



**UNEMPLOYMENT
INSURANCE**
maintaining the foundation of economic security

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Slower Growth in 1991

by John Boucher, Neal Fried, Holly Stinson

Following two years of strong employment growth, Alaska's economy posted a moderate 2.1% rate of employment growth in 1991. Considering the optimism prevalent earlier in the year, a 2.1% employment growth rate for 1991 might appear disappointing. The 1991 employment growth rate, however, came close to the 3.0% growth forecast in last May's issue of *Alaska Economic Trends*. While 1991's growth rate seems paltry compared to the 10,000+ job gains of 1989 and 1990, sustained growth at the pace of the last two years was not expected.

Nearly 5,000 more jobs in 1991

Led by strong performances in the transportation and seafood processing industries, statewide nonagricultural wage and salary employment grew by 4,900 jobs in 1991. Seafood processing employment grew at nearly a 15% clip, largely on continued growth in Southwest Alaska. Southwestern Alaska is experiencing a boom, caused by fish and shellfish harvesting in the region.

Transportation employment grew 5.8%, the second-fastest industry employment growth rate in 1991. Transportation surged on the strength of a broad-based expansion. Despite the loss of international airline traffic, increased freight traffic and a domestic carrier expansion boosted air transportation employment. A gradual expansion of staff at Alyeska Pipeline Service company added to transportation growth in 1991. Two sectors of the transportation industry, utilities and communications, got an employment boost fueled by population growth.

Real estate rebound boosts financial sector

The rebound in Alaska's housing market from the lows of the recession took hold in the employment numbers of the finance-insurance and real estate (FIRE) sector during 1991. Banking employment posted slight gains reflecting the record profits that major lending institutions posted. While lenders contributed some growth, real estate operators, agents and property management firms provided the biggest employment surge in FIRE.

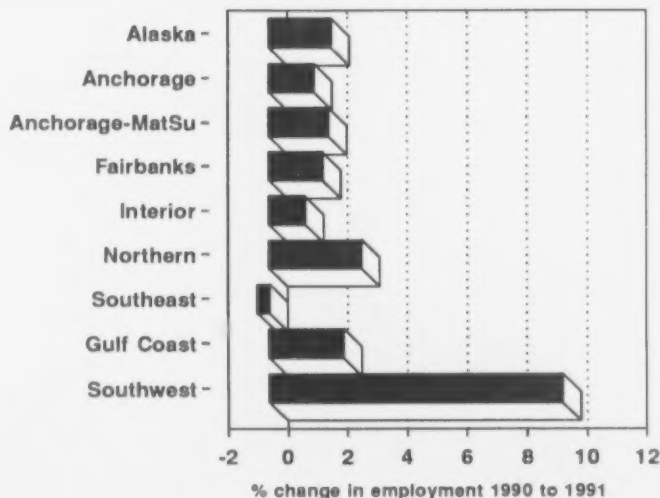
Mining, construction ride oil price rollercoaster

Mining and construction employment, the fastest growing industries in 1990, experienced no significant growth in 1991. In January, high oil prices driven by the Gulf War pressed the oil & gas industry to record production levels. State budget projections indicated a huge wind-

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Figure • 1

Employment Growth Moderates in 1991



Source: Alaska Department of Labor, Research and Analysis Section.

Table • 1

Nonagricultural Wage and Salary Employment by Place of Work

ALASKA				
	1990	1991	Change	Percent Change
Total Nonag. Wage & Salary	238,100	243,000	4,900	2.1
Goods-producing	39,200	40,500	1,300	3.3
Mining	11,500	11,800	300	2.6
Construction	10,500	10,500	0	0.0
Manufacturing	17,200	18,200	1,000	5.8
Durable Goods	3,900	3,400	-500	-12.8
Lumber & Wood Products	3,100	2,600	-500	-16.1
Nondurable Goods	13,300	14,800	1,500	11.3
Seafood Processing	9,500	10,900	1,400	14.7
Pulp Mills	900	900	0	0.0
Service-producing	198,900	202,600	3,700	1.9
Transportation	20,600	21,800	1,200	5.8
Trucking & Warehousing	2,600	2,800	200	7.7
Water Transportation	1,400	1,500	100	7.1
Air Transportation	6,700	7,000	300	4.5
Communications	3,300	3,500	200	6.1
Trade	46,000	46,900	900	2.0
Wholesale Trade	8,100	7,800	-300	-3.7
Retail Trade	37,900	39,100	1,200	3.2
Gen. Merch. & Apparel	5,900	6,200	300	5.1
Food Stores	6,600	7,000	400	6.1
Eating & Drinking Places	13,200	13,400	200	1.5
Finance-Ins. & Real Estate	10,300	10,700	400	3.9
Services & Misc.	50,900	51,800	900	1.8
Hotels & Lodging Places	5,500	5,500	0	0.0
Health Services	10,500	11,100	600	5.7
Government	71,000	71,400	400	0.6
Federal	18,700	18,900	200	1.1
State	21,500	21,200	-300	-1.4
Local	30,800	31,300	500	1.6

Source: Alaska Department of Labor, Research and Analysis Section.

fall was on the way, the surplus earmarked for capital projects. Buoyed by high expectations, the mood in these two industries was optimistic. By mid-year high oil prices and the projected windfall vanished. At year's end ARCO & British Petroleum announced consolidations and layoffs in their oil field operations, and state budget projections showed a deficit. The result was little or no employment growth in these industries.

Mining and construction weren't the only industries to experience slower growth. The services and trade sec-

tors dropped off significantly from their 1990 growth pace. Mixed news characterized these two industries. Retail openings in Fairbanks boosted trade employment, while the loss of international passengers in Anchorage hurt the industry. Food stores flourished, but car dealers posted employment losses. In services, most industries went sideways with the exception of health care services employment.

Government employment growth also slowed in 1991. Surprisingly, federal government employment posted a slight gain. Temporary federal employment on the census boosted employment in 1990, setting up expectations for an employment drop in 1991. Instead, increased personnel at post exchanges and more Federal Aviation Administration personnel offset lost census employment. Meanwhile, local governments added education-related personnel to handle growing school enrollments. State government employment dropped off slightly.

Wood products Industry largest job loser

The wood products industry lost the most employment during 1991. Sawmill closures in Seward, Haines and Klawock dropped wood products employment. Logging employment in Southeast Alaska also fell. Wholesale trade posted a job loss, primarily due to a major employer changing from the wholesale to retail trade category in January of 1991. Wholesale trade employment outside of this firm showed little employment change.

Anchorage: a mixed year in 1991

Similar to the state, Anchorage's economy burst off the starting blocks in 1991. As the year progressed, however, the economy showed signs of fatigue. Some Anchorage industries faltered, but a few kept up or exceeded 1990's pace. When the dust cleared, Anchorage managed to add 1,700 jobs to its employment base. This is a weak performance when compared to 1990, when 6,000 jobs were added. Compared to the economy's performance in much of the rest of the state or nation, however, it was not a bad accomplishment.

Some attribute the slowdown in the economy to the end of oil spill income circulating through the economy. This may offer a partial explanation. It does not explain, though, why oil industry employment began to fall at the end of the year, or why growth in business services began to fall off. Nor does it explain the performance of Anchorage's construction industry in 1991.

Table • 1 (cont.)

Retail trade and services weak

Anchorage's retail trade and service sectors put in a weak showing in 1991. These two industries, responsible for 64% of Anchorage's private sector employment, showed essentially no growth in 1991. That may not sound astonishing but these two industries created 3,300 of the 6,000 new jobs in 1990. Historically they have been the city's largest employment generator. Without the contribution of these industries, it was tough for the economy to grow.

There are a number of reasons for the weak performance of services and retail trade. Income growth was weaker in 1991. Basic sector growth was sluggish. It is also conceivable that the surge during the previous two years overextended the industries and some regrouping was taking place. Fewer oil spill dollars circulating in the economy may have been another factor. Their lackluster performance, though, was curious in light of the fact that Anchorage's population grew by 11,569 residents in 1991—usually an important stimulus to these industries. And tourism, another major benefactor to retail trade and services, enjoyed a good year in 1991.

Some of retail trade's weakest segments were general merchandise and miscellaneous trade—which includes both the larger department and variety stores and hundreds of smaller merchants. One hit came from the loss of the international passenger air traffic. Duty Free Shoppers alone lost more than 100 employees. Another weak link in retail trade remains the eating and drinking sector. They also took a big hit from the loss of the international carriers, when a number of caterers lost their contracts. Even if this slice of business is excluded, the eating and drinking sector remains a particularly weak part of retail trade. Food stores was one of the few areas of retail trade that continued to rack up healthy gains.

The employment picture in services was mixed. Health services grew by 3.5%. Engineering services also remained relatively robust. This may be a sign that construction activity will remain at healthy levels in the near term. Services' most dynamic sectors, business and legal services, actually lost some ground. Most other segments of the service industry were lackluster at best.

Oil patch ends year on a sour note

The year began exuberantly for the oil industry. Oil prices were high. The industry had two solid years of growth behind it. Oil service companies were busy with enhanced oil recovery activities, exploration, drilling

Nonagricultural Wage and Salary Employment by Place of Work

MUNICIPALITY OF ANCHORAGE

	1990	1991	Change	Percent Change
Total Nonag. Wage & Salary	111,400	113,100	1,700	1.5
Goods-producing	12,000	12,300	300	2.5
Mining	3,800	3,900	100	2.6
Construction	5,800	5,800	0	0.0
Manufacturing	2,400	2,600	200	8.3
Service-producing	99,400	100,800	1,400	1.4
Transportation	11,100	11,900	800	7.2
Communications	1,900	2,200	300	15.8
Trade	26,200	26,000	-200	-0.8
Wholesale Trade	5,900	5,700	-200	-3.4
Retail Trade	20,300	20,400	100	0.5
Food Stores	3,100	3,300	200	6.5
Finance-Ins. & Real Estate	6,500	6,600	100	1.5
Services & Misc.	28,800	28,900	100	0.3
Hotels & Lodging Places	2,500	2,400	-100	-4.0
Health Services	5,700	5,900	200	3.5
Government	26,900	27,400	500	1.9
Federal	10,500	10,600	100	1.0
State	7,700	7,900	200	2.6
Local	8,700	8,800	100	1.1

and a surge of maintenance activity. However, by the end of the year the news in the oil patch began turning negative. ARCO announced that consolidation efforts would trim their work force. By the last quarter of the year oil industry employment was down. Other oil industry employers such as Alyeska and BP announced work force trimming that would affect future employment levels. Oil prices fell to \$15/barrel at the end of the year. By year-end the mood had turned gloomy in the oil patch.

Construction had respectable season

According to employment statistics, the construction industry in Anchorage travelled sideways in 1991. This would be a disappointment if taken at face value because expectations were higher. Local activity did increase as anticipated in 1991. Construction valuation figures for Anchorage increased from \$147 million in 1990 to \$198 million in 1991. On the residential side, activity picked up significantly. In 1991, 635 permits for housing units were issued compared to 396 in 1990.

Notes: Prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear above have a different definition from those that appear in the Labor Force table.

Benchmark: March 1991.

Subtotals may not add due to rounding.

Source: Alaska Department of Labor, Research & Analysis Section.

Anchorage construction employment figures are clouded because many Anchorage-based contractors who performed work elsewhere in the state often count their employees in Anchorage. These construction jobs probably fell some in 1991, masking the increase in the construction taking place in Anchorage.

Some of the larger projects in the Anchorage area in 1991 were the four-lane widening of the Glenn Highway, the start of a Veterans Medical Center, a new Alaska Railroad headquarters and a new hotel. The latter two projects represent the largest resurgence in commercial activity in more than five years.

Air transportation strong

Transportation, communication and utilities enjoyed strong growth in 1991. The trucking and air transportation portions of this industry were particularly strong. Both of these sectors benefitted from expansion by Federal Express and United Parcel Service. Growth in other international cargo activity also helped. Some growth in local and other domestic carriers contributed to air transportation's growth in 1991. Not all was positive, however. Anchorage continued to lose international air carriers—a significant blow to Anchorage's economy. Most of these losses, however, were felt in retail trade and services, not air transportation.

Anchorage finance sector grew for first time in six years

Anchorage's financial sector was one of the chief victims of the 1986 recession. That industry went through a period of unprecedented consolidation, finally landing on firm ground in 1991—the last industry to do so. After five years of employment losses, this sector actually grew in 1991. Nearly all of the state's financial institutions registered strong profits and in some cases record profits. Even Anchorage's newest entrant, Northrim Bank, posted its first in-the-black quarter after only a year in business.

The job market tough in 1991

Not much good can be said for the Anchorage job market in 1991. After back to back years of near record low unemployment rates, 1991's unemployment rate climbed to 8.5%, an increase of one and a half points. The number of unemployed grew from 18,000 in 1990 to 22,000 in 1991. All talk of labor shortages disappeared and instead employers were often inundated by job seekers. The combined inches of Help Wanted columns in Anchorage's two newspapers fell by 26% in

1991. The reason for this rapid change was simple. The number of job seekers grew rapidly at the same time that the job growth declined. The number of job seekers grew because many of the victims of the national recession headed to Anchorage to seek employment. The rate of employment growth slowed because the local economy turned sluggish.

Another year of modest growth in Fairbanks

Employment in the Fairbanks North Star Borough grew at a rate similar to Anchorage, 1.8%. Not all industries, however, contributed to Fairbanks' net gain of 500 jobs in 1991. Mining and manufacturing jobs stagnated at their 1990 levels, while construction, not unexpectedly, lost some ground.

Exploration at the Fort Knox mining project was well below 1990 efforts, but other, smaller mining ventures managed to make up for the missing Fort Knox jobs. Amax Gold purchased Fort Knox in September and plans to develop it. This bodes well for future mining jobs in the Fairbanks area.

Fairbanks had fewer construction jobs in 1991. Construction at the University of Alaska and on several highway projects was not enough to offset the slowdown in military construction projects and the absence of pipeline repair jobs.

State government employment was also in decline in Fairbanks, losing 100 jobs on an annual average basis in education and 200 from other state agencies. A planned downsizing of state government through attrition and a constant (rather than inflation-adjusted) budget are the reasons for this decline.

Government jobs with federal and local agencies increased in 1991. On the federal side, an increase of 50 jobs over the year does not seem like much. However, there was an additional increase of 40 to replace the temporary census jobs of 1990 missing in 1991. Local government job growth was all in education, as record-setting school enrollments necessitated new staff at the Fairbanks North Star Borough school district.

Transportation jobs stayed even with 1990, except for the air sector which added 50 new jobs. MarkAir's maintenance facility, more international flights and additional service to the Northern and Interior regions all contributed to this job growth.

Wage and Salary Employment Change by Area 1990-1991

Municipality of Anchorage-Other					Southwest Region				
	1990	1991	Change	Percent Change		1990	1991	Change	Percent Change
Durable Goods	500	500	0	0.0	Total Nonag. Wage & Salary	15,300	16,800	1,500	9.8
Nondurable Goods	1,900	2,100	200	10.5	Goods-producing	4,500	5,350	850	18.9
Trucking & Warehousing	1,600	1,700	100	6.3	Seafood Processing	4,150	5,000	850	20.5
Water Transportation	300	300	0	0.0	Service-producing	10,800	11,450	650	6.0
Air Transportation	4,200	4,400	200	4.8	Government	6,150	6,300	150	2.4
Gen. Merch. & Apparel	3,200	3,200	0	0.0	Federal	1,250	1,350	100	8.0
Eating & Drinking Places	7,700	7,500	-200	-2.6	State	550	550	0	0.0
					Local	4,350	4,450	100	2.3
Fairbanks North Star Borough					Gulf Coast Region				
Total Nonag. Wage & Salary	27,300	27,800	500	1.8	Total Nonag. Wage & Salary	24,300	24,900	600	2.5
Goods-producing	2,250	2,150	-100	-4.4	Goods-producing	6,900	7,200	300	4.3
Mining	200	200	0	0.0	Mining	1,150	1,250	100	8.7
Construction	1,450	1,350	-100	-6.9	Construction	1,050	1,050	0	0.0
Manufacturing	600	600	0	0.0	Manufacturing	4,650	4,900	250	5.4
Service-producing	25,050	25,600	550	2.2	Seafood Processing	3,650	3,900	250	6.8
Transportation	2,000	2,050	50	2.5	Service-producing	17,400	17,750	350	2.0
Trucking & Warehousing	450	450	0	0.0	Transportation	2,050	2,100	50	2.4
Air Transportation	450	500	50	11.1	Trade	4,050	4,150	100	2.5
Communications	300	300	0	0.0	Wholesale Trade	500	500	0	0.0
Trade	5,950	6,400	450	7.6	Retail Trade	3,550	3,650	100	2.8
Wholesale Trade	800	800	0	0.0	Finance-Ins. & Real Estate	600	600	0	0.0
Retail Trade	5,200	5,650	450	8.7	Services & Misc.	4,550	4,750	200	4.4
Gen. Merch. & Apparel	600	700	100	16.7	Government	6,200	6,150	-50	-0.8
Food Stores	800	800	0	0.0	Federal	600	600	0	0.0
Eating & Drinking Places	2,050	2,250	200	9.8	State	1,950	1,850	-100	-5.1
Finance-Ins. & Real Estate	900	1,000	100	11.1	Local	3,700	3,700	0	0.0
Services & Misc.	6,200	6,250	50	0.8					
Government	10,050	9,950	-100	-1.0	Southeast Region				
Federal	3,150	3,200	50	1.6	Total Nonag. Wage & Salary	33,850	33,700	-150	-0.4
State	4,250	3,950	-300	-7.1	Goods-producing	6,650	6,350	-300	-4.5
Local	2,700	2,800	100	3.7	Mining	350	350	0	0.0
Northern Region					Construction	1,150	1,200	50	4.3
Total Nonag. Wage & Salary	14,600	15,050	450	3.1	Manufacturing	5,150	4,800	-350	-6.8
Goods-producing	6,200	6,350	150	2.4	Durable Goods	2,650	2,200	-450	-17.0
Mining	5,700	5,750	50	0.9	Lumber & Wood Products	2,550	2,100	-450	-17.6
Service-producing	8,400	8,700	300	3.6	Nondurable Goods	2,500	2,600	100	4.0
Government	4,400	4,400	0	0.0	Seafood Processing	1,400	1,500	100	7.1
Federal	300	300	0	0.0	Pulp Mills	900	900	0	0.0
State	350	350	0	0.0	Service-producing	27,200	27,350	150	0.6
Local	3,750	3,750	0	0.0	Transportation	2,650	2,650	0	0.0
					Trade	5,450	5,550	100	1.8
					Wholesale Trade	600	550	-50	-8.3
					Retail Trade	4,850	5,000	150	3.1
					Finance-Ins. & Real Estate	1,150	1,150	0	0.0
					Services & Misc.	5,550	5,650	100	1.8
					Government	12,400	12,350	-50	-0.4
					Federal	2,100	2,050	-50	-2.4
					State	5,600	5,500	-100	-1.8
					Local	4,700	4,800	100	2.1

Prepared in part with funding from the Alaska State Employment Security Division.

Benchmark: March 1991

Subtotals may not add due to rounding. The employment numbers that appear above are definitionally different from those that appear in the Labor Force table.

Source: Alaska Department of Labor, Research & Analysis Section.

The big growth industry in Fairbanks in 1991 was retail trade. Almost every retail category—except food stores—showed employment increases over 1990. With the civilian population of the Fairbanks North Star Borough at an all-time high, and an ever-increasing military population, it is not surprising to see Fairbanks' retail sector grow. Two new stores—Fred Meyer and Sears Roebuck—opened late in the year, so the full impact of these additional jobs won't register until 1992.

The industry with the most private employment, services, barely managed to eke out some growth in 1991. It is such a diverse group, however, that one must look at its' various components to get the whole story. Sectors enjoying job growth were business and health care services. All other services jobs declined from 1990 levels. Hotel employment remained virtually unchanged from 1990. However, ground was broken in 1991 for a new Princess hotel. Its 1993 opening will mean additional hotel jobs for Fairbanks.

Fish harvesting boom continued in Southwest

The Southwest region had by far the highest growth rate of any region in Alaska in 1991—almost 10%. The driving force behind this growth is the bottomfish industry. More than half of all new jobs in the region were in seafood processing, which grew an incredible 20%. Many of the additional seafood processing jobs are at new plants which opened in 1991 at Dutch Harbor.

Crab harvesting and processing is making a comeback. The opilio tanner crab harvest in the Bering Sea was twice the previous record; on the downside, that increased supply dropped prices from an average of 68 to 42 cents a pound.

The 1991 salmon season got off to a late start after a strike for higher prices by Bristol Bay fishermen. Any decline in salmon cannery employment, however, was masked by the increase in bottomfish processing jobs.

Most other new jobs in the Southwest region are in support of the fishing industry—an increased need for transportation, supplies at wholesale and retail outlets and services. Expansion in Unalaska in 1991, which was driven by the fishing boom, included a \$15 million extension and improvement of the public dock and the start of a \$50 million development project called Margaret's Bay. It will offer hotel rooms, retail and office space when completed.

A decent performance in the Gulf Coast region

The fishermen's strike that started in Bristol Bay spread to the Gulf Coast region in the summer of 1991. Unlike the Southwest region, the salmon strike impacted every part of the Gulf Coast region. This meant several hundred fewer seafood processing jobs in June compared to June 1990. The strike was over by early July, though, and the rest of the season registered job growth over 1990. A glut of pink salmon helped push the state's total catch to a record high. Gulf Coast areas dealt with the surplus of pink salmon by dumping some at sea, giving some away in local communities, and shipping some to the former Soviet Union. Unfortunately, low prices for pinks and reds meant that the record catch was not matched with record revenue. The number of salmon harvested statewide was about 16% above 1990 numbers, while revenue was estimated at 45% below 1990's. This impacted not only Gulf Coast communities but Southeast and Southwest fishing communities as well.

Additional bottomfish processing in the Gulf Coast region contributed to gains in seafood processing employment. One plant in Kodiak is basing an expansion on processing more pollock, while one in Cordova remained open past their usual fall shutdown to process cod.

On the negative side, another manufacturing industry in Gulf Coast lost 150 jobs when the Seward sawmill shut down in October. The owner, Chugach Alaska, is currently seeking a partner or buyer for the mill.

Although construction didn't add any new jobs, the fact that they didn't lose any was encouraging. This is because the completion of the Bradley Lake Hydroelectric project meant many construction jobs disappeared from the region in 1991. This project alone accounted for 250 jobs on an annual average basis, with peak summer employment close to 400. No single new project took over for the completed hydroelectric facility, but many smaller ones helped keep construction employment steady. These included new facilities at Kodiak's Coast Guard base and several construction projects—both public and private—in the Kenai-Soldotna area.

Transportation, trade and services all managed to post some job gains in 1991. The only sector to show declines was in state government. While state education employment grew, the increase was not enough to offset losses in other state offices.

Oil and gas jobs in Cook Inlet boosted the mining industry in Gulf Coast. Unocal shut down one platform and Chevron closed their Nikiski refinery, but these closures translated into few job losses. On the plus side, ARCO and Stewart Petroleum both announced oil discoveries in Cook Inlet and plans for future exploration. Chevron is also drilling an exploratory well in the area.

Northern region starts out strong, ends on a weak note

Although this region's oil and gas employment is more than four times larger than the Kenai Peninsula's, job growth was anemic in 1991—only half that seen on the Kenai. This comes, however, after a year of strong growth (the industry added 600 jobs in 1990).

Growth in other industries allowed this region to post the second-highest growth rate in 1991, behind Southwest. Employment gains in construction and services led the growth in the private sector, while the public sector was static.

Layoffs by the major oil producers, made late in 1991, won't register their full impact on employment statistics until 1992. Oil field services, though, suffered losses in the last half of 1991. In fact, any job gains were made in the first half of the year. For illustration, a 6-month average for the first half of 1991 shows an 11% job increase from 1990, while the last six months shows an 8% job decline.

Activity in the oilfields isn't all captured in mining employment statistics since many oilfield jobs are counted in the construction, transportation and services industries. All of these industries registered gains in 1991.

Other jobs in the Northern region's mining industry include gold activity in the Nome area and the Red Dog lead and zinc mine in the Northwest Arctic Borough. One huge gold dredge which operated in Nome was absent in 1991. Facing falling zinc prices, the Red Dog mine cut some jobs to increase efficiency. In spite of these losses, mining employment stayed at 1990 levels.

Southeast buffeted by timber industry's poor performance

The only region to suffer job losses from the previous year was Southeast. The region shares many similarities with other areas of the state. Oil revenues provide many state and local government jobs, tourism is big business, and the fishing industry accounts for many jobs, although it is far less important as a percentage of total employment than in the Gulf Coast or Southwest regions.

The big difference in Southeast's economy is the presence of a large wood products industry. Three years ago this industry employed one of every five workers in Southeast's private sector. This industry's importance in Southeast's economy, however, has been shrinking. Weaker demand kept prices low and the supply of available timber in Southeast continued to dwindle. Employment losses in wood products is what put Southeast on the negative side of the job ledger in 1991.

Losses in one industry spread and affected other industries, also. In fact, construction, retail trade, services and seafood processing were the only industries showing any job growth in Southeast. A good tourism year accounts for some of their success. Their relatively small gains were not enough, though, to compensate for the losses in wood products.

Losses were not confined to the private sector, either. As in most regions of Alaska, Southeast saw a drop in state government jobs in 1991, while local government jobs—in education—increased.

Slower growth summarizes '91

In 1991 Alaska's economy posted a moderate 2.1% employment growth rate. This performance is weaker compared to 1989 and 1990—but those were exceptionally good years. Seafood processors, primarily in Southwest Alaska, added the most new jobs to Alaska's economy, followed by transportation firms. Most other sectors of the economy posted slight employment gains, the lone exception was the wood products industry which lost employment. Overall, the brakes were put on Alaska's economy in 1991, but the result was a slow-down rather than a full stop.

Slow Growth to Continue

by John Boucher

Following 6.5% employment growth in 1989 and a 4.9% job gain in 1990 Alaska's economy posted a moderate 2.1% employment growth rate in 1991. Lower oil prices, a struggling timber industry and lackluster growth in trade and services employment combined to apply the brakes to Alaska's employment growth in 1991.

The employment forecast for 1992 and 1993 reflects recent history. The 2.1% employment growth rate in 1991 established a three-year pattern of slower growth. The forecast for 1992 and 1993 recognizes that pattern. Unfortunately, recognition of the recent employment growth pattern required asking a troublesome question. Given the downward trend in employment, will job growth be sustained through 1993? In the final analysis, the conclusion was that Alaska's economy would post gains at an annual rate of less than 1% during the next two years- thanks to continued strength in the seafood processing industry and some expansion in the retail sector. (See Table 1 and Figure 1.)

One note of caution: Alaska's economic health is closely tied to the price of North Slope crude oil. This forecast places North Slope oil prices in the \$15-\$17/bbl. range for the forecast period. If prices are significantly different, especially on the downside, employment growth is unlikely to occur.

Oil Industry tumbles mining

During the last quarter of 1991, Alaska's oil & gas industry underwent some significant changes. ARCO Alaska and British Petroleum, the two primary players on Alaska's North Slope, began to consolidate their operations; and, in turn, asking their contractors to also consolidate and cut costs. Entering 1992, the mood in the industry is somewhat troubled. For these reasons oil and gas industry employment is expected to decline during the next two years.

There is, however, some positive news on the oil industry front. Construction of GHX-II, a gas-handling facility that reinjects gas into the ground to boost oil production, will be in full swing in 1993. The Point McIntyre field will be brought on line during the forecast period, and there is a possibility of some new development in Cook Inlet.

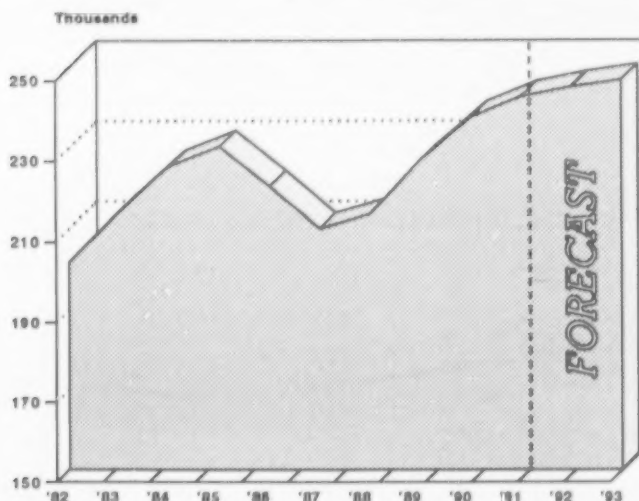
Nearly nine out ten jobs in the mining industry are in the oil and gas sector. Therefore the direction mining industry employment takes depends on the fortunes of the oil industry. Potential employment gains also exist in the hard rock mining portion of the industry. The Kensington and AJ projects in the Juneau area are currently the best prospects for added employment in the mining industry. If the projects proceed, the employment added during the forecast period would predomi-

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Figure • 1

Alaska Annual Average Nonagricultural Wage & Salary Employment 1982-1993

Source: Alaska Department of Labor, Research & Analysis Section.



Alaska Nonagricultural Wage & Salary Employment Forecast 1992-1993

	1990 Annual Average	1991 Annual Average	Percent Change 90-91	1992 Annual Average	Percent Change 91-92	1993 Annual Average	Percent Change 92-93
Nonag. Wage and Salary	238,100	243,000	2.1	244,900	0.8	246,300	0.6
Goods-producing	39,200	40,500	3.3	40,225	-0.7	40,700	1.2
Mining	11,500	11,800	2.6	10,750	-8.9	10,150	-5.6
Construction	10,500	10,500	0.0	10,525	0.2	10,850	3.1
Manufacturing	17,200	18,200	5.8	18,950	4.1	19,700	4.0
Seafood Processing	9,500	10,900	14.7	11,800	8.3	12,500	5.9
Lumber & Wood Products	3,100	2,600	-16.1	2,400	-7.7	2,450	2.1
Service-producing	198,900	202,600	1.9	204,675	1.0	205,600	0.5
Transportation	20,600	21,800	5.8	22,250	2.1	22,650	1.8
Trade	46,000	46,900	2.0	48,075	2.5	48,700	1.3
Wholesale Trade	8,100	7,800	-3.7	7,850	0.6	7,850	0.0
Retail Trade	37,900	39,100	3.2	39,950	2.2	40,850	2.3
Finance-Ins. & Real Estate	10,300	10,700	3.9	10,700	0.0	10,700	0.0
Services & Misc.	50,900	51,800	1.8	52,500	1.4	53,000	1.0
Government	71,000	71,400	0.6	71,150	-0.4	70,550	-0.8
Federal	18,700	18,900	1.1	18,900	0.0	18,850	-0.3
State	21,500	21,200	-1.4	20,750	-2.1	20,200	-2.7
Local	30,800	31,300	1.6	31,500	0.6	31,500	0.0

nantly be in the construction industry. Increases in hard rock mining will probably occur just outside of the forecast period.

Construction has growth potential

A laundry list of major construction projects for the next two years points to a solid boost for construction employment. More federal highway money, GHX-II, new hospitals, potential strong growth in commercial retail space in Anchorage and new tourist facilities all bode well for the industry. On the other hand, impending budget cuts at the state and local government levels are likely to hit the construction industry first. Other negatives include how investors might view the economic slowdown and the projected declines in military construction. It's possible that some proposed construction, particularly additional retail space, will be a victim of a slower economic outlook. Overall, the forecast for construction looks for some employment gains during the next two years.

Seafood to boost manufacturing

During the last several years the bottomfish and shellfish harvest in Southwestern Alaska has boosted wintertime

seafood processing employment to levels not seen since the king crab boom of the early 80s. The recent decision to allocate a significant portion of the total catch in the region to shore-based processors in 1992 will bolster seafood industry employment counts- particularly in the Kodiak area. While bottomfish is booming, the mainstay of Alaska's fishing industry, the salmon processors, were hurt by low prices last season. The tough season forced some processors to close. The good news is that the worst of a worldwide salmon glut may be over. Prices for some of Alaska's higher value salmon have recovered, although pink salmon prices are still low. The employment forecast assumes that the salmon processing portion of the industry will remain relatively constant during the next two years.

While Southwestern Alaska fisheries will add jobs to the manufacturing sector, Alaska's timber industry will continue to struggle. During 1991 three sawmills, employing more than 250 people, closed. Meanwhile the logging industry lost jobs due to depressed world timber markets, litigation tying up timber harvests and less available Native corporation timber. For 1992 there appears to be no relief in sight for the industry's job picture. By 1993 the timber industry should begin to recover as world markets firm up.

Source: Alaska Department of Labor, Research & Analysis Section.

Transportation growth will abate

The transportation, communications and utilities sector was one of the fastest growing industries in 1991. A surging air transportation industry and a build-up of pipeline-related staff helped lead the growth. During the next two years a combination of factors will slow job growth in this industry. Additional staffing at Alyeska Pipeline is completed; pipeline-related employment will level off or possibly drop during the next two years.

The air transportation sector has been a big contributor to job growth in this industry, despite the loss of international passenger carriers in Anchorage. Air cargo carriers like Federal Express have been a key factor in this industry. Expansion of MarkAir into Seattle and other Southeast Alaska destinations added a significant amount to the air industry's job base late in 1991 and that should contribute to some growth in 1992.

The tourism-related portion of transportation employment, primarily bus tours and other ground transit, will contribute some growth during the next two years. The tourism industry has provided a constantly increasing boost to Alaska's economy, and no end to that trend is evident. Cruise ship bookings, a key tourism indicator, are ahead of last year's pace, but it's difficult to assess the strength of the season until mid-year. While the national recession concerns some tour operators, the current outlook for this season is promising.

In addition to air and ground transportation, the communications and utilities portion of the industry will experience some job growth, largely because these segments are driven by population trends.

Real estate market loses momentum

The finance-insurance and real estate industry (FIRE) grew in 1991 primarily because of a rebounding real estate market. The banking and insurance portion of the industry posted slight growth; the majority of additional employment was in real estate brokerages and property management firms. The outlook for this industry is for little or no growth the next two years. Real estate markets around the state have already slowed somewhat because of the slower economy.

Trade could boom; mixed prospects in services

Trade and services employment in Alaska should grow during the next two years- but the outlook for trade

employment is currently a little better than the services industry. Trade and services accounted for nearly 100,000 jobs in 1991, spanning a wide variety of economic activity. Some segments of each will perform fairly well in terms of employment growth while other segments are expected to lose employment. For example, tourist-related trade employment, like gift shops, should perform fairly well. Food stores should also perform reasonably well despite the general slowdown. Retailers who depend upon discretionary income, like car dealerships and eating and drinking establishments, tend to be hit first by a slower economy. The outlook for the trade industry is also influenced by the plans of several major retailers to enter the Anchorage and Fairbanks markets during the next two years. If all or even some of these plans come to fruition, it will mean a significant addition to the state's retail trade industry.

On the services side, the outlook is a little less optimistic. The trendsetters for growth should be hotels and health care services. New hotels opening in Anchorage and Fairbanks catering to the booming tourist trade will boost hotel employment. On the other hand, some service sectors will struggle to maintain their current levels during the next two years. Legal services and professional services were suffering employment losses as 1991 ended and they will probably continue to do so over the next two years.

Federal growth small, military-related

Two factors were behind most of the federal government growth in 1991. The Federal Aviation Administration bolstered their presence in the state to beef up their inspection program. The other significant job addition was military-related. Civilian personnel were added to staff new facilities built to accommodate Alaska's expanding military population. During the next two years the only major change on the horizon for the federal government in Alaska will be the new Veterans Administration clinic in Anchorage. That will add a small amount of employment but isn't expected to significantly change the level of federal jobs in Alaska.

State, local governments struggle with budgets

Employment in Alaska's state government sector will decline during the next two years. Shrinking oil revenues are forcing state agencies and the university system to propose cutbacks for the fiscal year beginning in July.

Since local governments and school districts are either wholly or largely funded by state oil revenues, these

government entities are battling the same budget woes as state government managers. The problem for many school districts, particularly urban districts, is that school enrollment has been steadily growing due to immigration and a growing school age population. The pressure to add facilities and teachers is tremendous. Demand for facilities is particularly acute in Anchorage, Fairbanks, the MatSu Borough and Juneau. The budget crunches in these areas have resulted in proposals for new schools as well as alternative solutions like year-round schools. It is this increasing school enrollment which will keep local government employment from falling during the next two years.

Summary: slower growth projected

Entering 1992, Alaska was on a roll of four straight years of wage and salary employment growth. That growth has slowly subsided and by the end of 1991 there were unsettling signs that employment could be headed for a drop. Overall there is enough positive momentum in Alaska's economy to project employment growth during the next two years. The continuing expansion of the bottomfish industry, tourist-related employment expansions in the transportation, trade and services industries, and a potential retail trade expansion should be enough to carry Alaskan employment to the positive side of the ledger in 1992 & 1993.

ANCHORAGE FORECAST: 1992-93

The Brakes Are On The Anchorage Economy

by Neal Fried

The strong economic recovery in Anchorage appears to be coming to a close. If this forecast proves accurate, the Anchorage economy will be fortunate to grow in 1992-1993. The economy began to lose steam in 1991 (see Review article). Then oil prices started downward. Low oil prices in turn are affecting the bottom lines of oil industry and state-funded activities. As headquarters of the state's oil industry and home to a large economic sector dependent on oil revenues, Anchorage is feeling the effects. Adding to the economic qualms is the fact that many perceive 1992 as the beginning of the slide in Alaska's oil production. The size of this decline may not be significant during the forecast horizon.

It is important to keep in mind that Anchorage is not saddled with a mono-economy driven by oil. The oil industry and oil revenues do, however, carry a disproportionate amount of economic punch in Anchorage's economy. Some industries will perform well during the next two years and others will hold their own.

The oil patch is anxious

After three years of strong recovery and record employment levels, employment in the oil patch softened in late 1991. This trend is forecast to continue during the next two years. Low oil prices, a bad year for profits, more attractive investment prospects elsewhere in the world and oil field maturation are all working against further employment growth in the industry. Exploration activity is falling to new lows. Both major operators in Alaska, British Petroleum and ARCO, have begun consolidation efforts to improve efficiency and cut costs. They are asking their contractors to do the same. Alyeska Pipeline recently announced they, too, will keep personnel costs down in anticipation of further oil production declines. Recently, BP announced it will cut its workforce by 420 over the next three years.

A number of sizeable projects should help stem what otherwise might be a more precipitous decline. ARCO announced they will be spending \$351 million on a variety of capital projects in 1992—the same amount they spent in 1991. Point McIntyre is scheduled to come

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on line late in 1992, which will bring another 75 to 80 thousand barrels of oil per day into production. The Sunfish prospect in Cook Inlet also looks promising. The largest undertaking, installation of a \$1.5 billion gas-handling project (known as GHX-II), will insure a healthy level of activity at Prudhoe Bay. The biggest beneficiary of the GHX-II project will be the construction industry. Approximately 500 jobs on an annual basis will be needed for the project in its peak year, 1993. The most important benefit of GHX-II is that it will help curb steep declines in oil production.

Construction outlook boosted by private sector

The most diverse mix of projects Anchorage has seen in many years will dominate the construction scene. There should be enough activity to sustain present levels during the next two years. The crown jewel (as one construction industry official called it) will be Seibu's \$60-70 million Prince Hotel and new tramway in Girdwood. The labor-intensive construction phase of the hotel begins this April. One contractor estimates the project's work force will peak at 200 in 1993.

Another jewel expected to bring some luster to this industry will be the \$100+ million Alaska Native Med-

ical Center. Ground should be broken in late 1992 or early 1993; completion is set for 1995.

Another potential source of construction in Anchorage could come from the retail sector. If Costco, Pace, and Eagle Hardware follow through with their plans to build new stores, 1992 would be the busiest commercial season since 1985. According to expert retail-watchers, there are other major retail prospects on the drawing boards.

The Anchorage air transportation sector could also lend a helping hand to the construction industry. Alaska Airlines has plans to build a \$40 million facility for jet maintenance, cargo and ground services. Federal Express hopes to build a \$20 million 747 maintenance hanger.

On the residential side, most industry insiders expect to see the same or slightly fewer single family homes built as last year. Particularly bad oil-related news might spook the industry to lower levels. On the other hand, Anchorage's residential vacancy rates are at a near-record low and interest rates couldn't be much lower. The demand for housing could warrant more residential construction. One new twist in home construction is a possible increase in multi-family dwellings. Anchorage

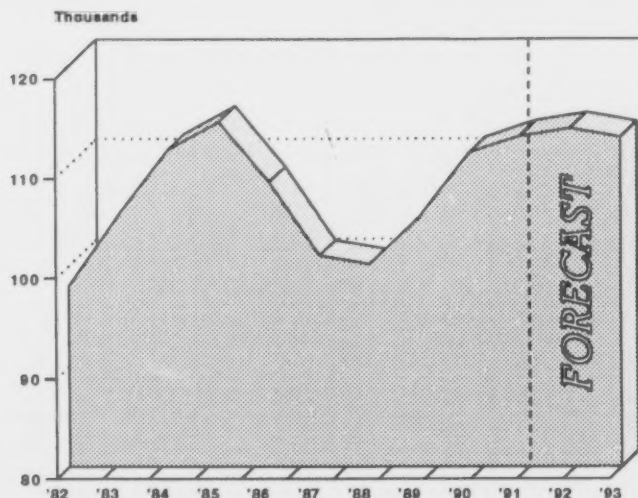
Neighborhood Housing has plans to build a 200-unit complex of low to moderate-income housing. This would be the largest addition of multifamily housing since 1986.

Except for the new Native Hospital, the public side of construction will not provide much stimulus. The state capital budget could well be smaller than last years. Highway construction in the Anchorage vicinity is not expected to be much different from recent years. The Glenn Highway four-lane project will continue at slightly lower levels in 1992 and then peak in 1993. The extra federal highway dollars the state is receiving will boost highway construction projects in the Kenai Peninsula and MatSu Boroughs. Although this activity will not

Figure • 1

Municipality of Anchorage Annual Average Nonagricultural Wage & Salary Employment 1982-1993

Source: Alaska Department of Labor, Research & Analysis Section.



Municipality of Anchorage Nonagricultural Wage & Salary Employment Forecast 1992-1993

	1990 Annual Average	1991 Annual Average	Percent Change 90-91	1992 Annual Average	Percent Change 91-92	1993 Annual Average	Percent Change 92-93
Total Nonag. Wage & Salary	111,400	113,100	1.5	113,850	0.7	112,950	-0.8
Goods-producing	12,000	12,300	2.5	12,150	-1.2	11,700	-3.7
Mining	3,800	3,900	2.6	3,700	-5.1	3,500	-5.4
Construction	5,800	5,800	0.0	5,800	0.0	5,500	-5.2
Manufacturing	2,400	2,600	8.3	2,650	1.9	2,700	1.9
Service-producing	99,500	100,800	1.3	101,700	0.9	101,250	-0.4
Transportation	11,100	11,900	7.2	12,000	0.8	12,000	0.0
Trade	26,200	26,000	-0.8	26,300	1.2	26,500	0.8
Wholesale	5,900	5,700	-3.4	5,700	0.0	5,650	-0.9
Retail	20,300	20,400	0.5	20,600	1.0	20,850	1.2
Fire	6,500	6,600	1.5	6,750	2.3	6,700	-0.7
Services	28,800	28,900	0.3	29,200	1.0	28,800	-1.4
Government	26,900	27,400	1.9	27,450	0.2	27,250	-0.7
Federal	10,500	10,600	1.0	10,750	1.4	10,750	0.0
State	7,700	7,900	2.6	7,700	-2.5	7,500	-2.6
Local	8,700	8,800	1.1	9,000	2.3	9,000	0.0

Source: Alaska Department of
Labor, Research & Analysis
Section.

take place in Anchorage, it will benefit Anchorage contractors.

Air transportation's robust gains will moderate

Air transportation's strong performance of the past two years is forecast to moderate during the next two. The addition of Federal Express and United Parcel Service along with strong growth in domestic carriers fueled most of its past increase. Small additions from Federal Express and growth in air freight traffic could boost the industry a bit further. Federal Express did designate Anchorage as an airbase for 200 of its pilots. If the new Federal Express and Alaska Airlines facilities are built, the industry's employment may get a moderate boost. Another plus is that the loss of international passenger carrier traffic is now history for Anchorage.

Tourists expected to keep coming

If we believed the perennial reasons why or why not the number of Alaska's visitors were going to come to Alaska, we could say it was the most fickle of the state's industries. In spite of these ever-changing theories, tourism is one industry that does appear to grow every year.

The national recession concerns some operators, especially those who cater to the younger set. Others think the new hit television series, *Northern Exposure*, will bring record crowds. Because no war or terrorism has

plagued Europe recently, still others feel Europe will be a bigger competitor for Alaska's tourists than in recent years. Others claim the Alaska Highway celebration, low gasoline prices and possibly low air fares should keep the visitors coming. The reasons go on as to why or why not the industry will grow. Most in the industry believe 1992 will be a repeat of last year's strong season.

Alaska's retailers and service industry will profit from this good fortune. Although retail trade is a major beneficiary of tourism, the forecast for Anchorage's retail sector will be sluggish. If total employment grows little or not at all, then income growth will do the same. This in turn usually means retail trade does not have much room to grow, and is the reason why only moderate growth is forecast for 1992.

It appears that retail employment could bump up in 1993 if Costco and Eagle Hardware make good on their plans to build new stores. If they do, another 350-400 full-time and part-time jobs would be added to retail trade. This does not account for other major retailers who are reported to be looking seriously at the Anchorage market. In the long run, these added workers would not all be a net increase in retail trade employment. Some retailers would lose ground to the new competitors and trim back their work forces.

The services industry is a diverse sector. It includes legal, health, business, engineering, social, personal and other services, and hotels; traditionally this industry has been one of the largest employment generators in An-

chorage's economy. This will not be the case during the next two years. Health services and hotel employment could grow moderately. The new Comfort Inn will boost hotel employment slightly. Most of the rest of the service sector began to slip in 1991 and is forecast to continue this trend in 1992.

Uncertain outlook for government jobs

During the next two years the public sector's track record of predictability will no longer exist. Not even the stalwart federal sector is as reliable as it once was. Employment in this sector is expected to grow moderately in 1992 and remain flat thereafter. The growth will come from the new Veterans Clinic, some possible growth in FAA and military-related personnel. Much of this growth, however, is already in place.

The biggest wild card for federal government employment is the military. The Fort Richardson closure scare of 1991 brought this to the forefront. At the present time the nation's military services are in the throes of downsizing their services by offering troops early outs with severance packages. If not enough soldiers sign up for this program, others will be forced out by year-end. How many troops will be affected in Anchorage or whether they will be replaced by other troops is unknown at this time. There is a chance that troop levels will suffer some and the number of civilians supporting them could experience a similar fate.

One countervailing trend to these reductions is that in 1991 Elmendorf AFB became home to a new F15E squadron with 1,038 military personnel and to the 11th Air Force Medical Center with 231 new medical personnel. Not all of these personnel have arrived yet. It is not clear how all of these changes will shake out when 1993 rolls around.

State government employment is looking the most uncertain. With looming budget deficits and talk about cutting the state budget, employment levels for state government are forecast to decline during the next two years. The means could be through attrition, early retirements, layoffs or any combination of the three. Most of these losses are expected to be on the non-education side of state government.

Local government will be dealing with similar restraints since Anchorage receives 17% of its operating funds from state government and the school district receives 70%. Employment is actually forecast to grow on the education side of local government because of a growing student population. Some of this growth is already in place for 1992. The city's level of employment will remain largely unchanged. Unlike state government, local government has the ability to raise revenues.

The job market will be dismal

This is not a difficult forecast to make because Anchorage's job market has already deteriorated significantly. The unemployment rate will rise. As already mentioned in the review article, there is not much of a chance the local job market will improve until the national employment picture improves, stemming the influx of job seekers. Neither will the sluggish local economy lend a hand. Anchorage's job market will be approaching gridlock during the forecast period. Those who already have jobs will hold onto them tenaciously and those looking for jobs will find it a daunting task.

Summary—a bumpy road for Anchorage's economy

Anchorage's economy is forecast to decelerate considerably in 1992 and suffer some losses in 1993. The overall slowdown in the economy, combined with lower oil prices, is putting the brakes on three years of a strong economic recovery.

Because of lower prices, oil producers are making efforts to consolidate and cut back staff. The fact that oil prices are low may mean large shortfalls in oil revenues.

Construction's outlook is good considering the oil picture. The private side of this industry is what is giving it some new life. Commercial and industrial construction may enjoy the best season since 1985. Residential and public construction are not likely to contribute to the industry's momentum.

Air transportation, which has been one of Anchorage's rising stars, is expected to make more moderate gains in the near future. Tourism is forecast to be one of the bright spots in Anchorage's economy. Retailers should profit from a strong tourism season but their gains will be moderate because of the sluggish economy. Retail trade could get a substantial boost in 1993. A number of large retailers have plans to open up shop in Anchorage.

The public sector's picture is mixed. Federal employment will grow slightly in 1992. In the longer run there is a large dose of uncertainty because of changes taking place in the military establishment. State government is forecast to decline moderately due to revenue shortfalls. Local government will increase slightly in response to growing school enrollments.

The job market will be the most competitive it has been in four years. The economy will be creating fewer new jobs as the number of job seekers continues to grow.

Fairbanks: Meager Job Growth Forecast

by Holly Stinson

Fairbanks wage and salary employment saw a modest increase in 1991, as did most areas of the state. The job picture in Fairbanks should look much the same in 1992-1993. The big difference is that the Fairbanks economy created 500 new jobs last year, and is forecast to add the same amount spread over the next two, rather than one, year. Last year's job gain wasn't enough to accommodate all the new entrants to the labor force. The unemployment rate for the Fairbanks North Star Borough climbed almost two percentage points to an annual average of 10.5%. With even slower job growth forecast, this trend of rising unemployment rates will likely continue unless the labor force shrinks.

Retail, services, transportation still growing

The sector projected to add more new jobs than any other is retail trade. The several hundred jobs created by new Sears Roebuck and Fred Meyer stores, which opened late in 1991, will show up in the 1992 job count. The forecast doesn't reflect their full impact on employment because of the as yet unknown effect on other retail operations. Another retailer—Pace Warehouses—is planning to open a new Fairbanks store in late 1992 with up to 170 employees.

Besides merchandisers, a sector of retail trade that enjoyed strong growth in 1991 was eating and drinking establishments. This growth should continue at least into 1992 when two franchises open new Fairbanks outlets—Taco Bell and Subway Sandwiches.

Who is supporting the growth in retail trade? Hundreds of new military personnel arrived at the bases near Fairbanks in the re-

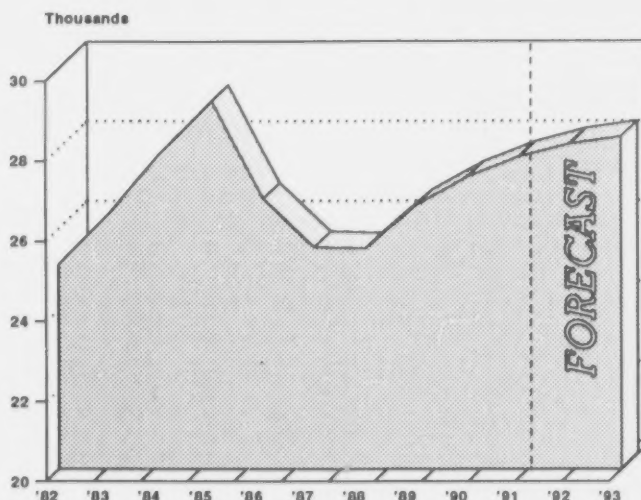
cent past, along with hundreds of their dependents. This adds up to a net increase of almost 4,000 new residents, not to mention an ever-increasing civilian population. Time will tell if the population is large enough and rich enough to support the current level of retail choice.

Another industry that benefits from population growth is services. Employing more people than any other in the private sector, it saw anemic growth in 1991. More of the same is forecast for the next two years. Why? Breaking down this large aggregation of employers provides the answer.

Some components of the services industry are growing. Hospitals, health care, and other personal service firms gain from population growth. They added employment in 1991, and should continue growing in this forecast period. Another component, hotels, is a beneficiary of the tourist and convention business. Both are on the rise in Fairbanks, as evidenced by a 14% increase in hotel

Figure • 1

Fairbanks North Star Borough Annual Average Nonagricultural Wage & Salary Employment 1982-1993



Source: Alaska Department of Labor, Research & Analysis Section.

Table • 1

Fairbanks North Star Borough Nonagricultural Wage & Salary Employment Forecast 1992-1993

	1990 Annual Average	1991 Annual Average	Percent Change 90-91	1992 Annual Average	Percent Change 91-92	1993 Annual Average	Percent Change 92-93
Total Nonag. Wage & Salary	27,300	27,800	1.8	28,125	1.2	28,300	0.6
Goods Producing	2,250	2,150	-4.4	2,150	0.0	2,100	-2.3
Mining	200	200	0.0	200	0.0	200	0.0
Construction	1,450	1,350	-6.9	1,350	0.0	1,300	-3.7
Manufacturing	600	600	0.0	600	0.0	600	0.0
Services Producing	25,050	25,600	2.2	25,975	1.5	26,200	0.9
Transportation	2,000	2,050	2.5	2,100	2.4	2,150	2.4
Trade	5,950	6,400	7.6	6,675	4.3	6,750	1.1
Wholesale Trade	800	800	0.0	825	3.1	825	0.0
Retail Trade	5,200	5,650	8.7	5,850	3.5	5,925	1.3
Finance-Ins. & Real Estate	900	1,000	11.1	1,000	0.0	1,025	2.5
Services & Misc.	6,200	6,250	0.8	6,300	0.8	6,400	1.6
Government	10,050	9,950	-1.0	9,900	-0.5	9,875	-0.3
Federal	3,150	3,200	1.6	3,200	0.0	3,200	0.0
State	4,250	3,950	-7.1	3,850	-2.5	3,775	-1.9
Local	2,700	2,800	3.7	2,850	1.8	2,900	1.8

Source: Alaska Department of
Labor, Research & Analysis
Section.

receipts in 1991. People in the tourist business are expecting the 50th anniversary celebration of the Alaska Highway to add to the number of tourists visiting the state in 1992. The Princess Hotel currently under construction in Fairbanks should boost hotel employment even further when it opens in May 1993.

Masking growth in the above sectors, however, are job losses in some other services firms. These include the engineering and management category, which benefits from healthy construction and business activity. With slowdowns in the oil industry, declines in construction, and belt-tightening in the business community, many business-related services firms will do well to hold their own the next two years.

A cautionary note should be added here. All services firms filed new employer statements with AKDOL in 1991, so it is impossible to declare that losses were exclusively due to a downturn. Some firms were reclassified into other industries. Overall, slow growth is predicted for this industry, with stagnant or declining portions negating some of the continued growth in health services and hotels.

Transportation is the only other industry projected to add jobs in Fairbanks over the next two years. At the Fairbanks International Airport landings that generated revenue were up 11% in 1991. When Air France drops their passenger service in Anchorage and moves their remaining cargo operations to Fairbanks in 1992, this

count will continue to climb. MarkAir's recently certified maintenance facility and their expansion plans could also contribute to transportation job growth.

Increasing military presence in Fairbanks ends

For the past several years, Ft. Wainwright experienced increasing numbers of military and dependents, with a construction budget to match. Now that the 6th Light Infantry Division is in place, the army does not anticipate a change in troop strength during this forecast period. On the construction side, several small projects—mostly additions and renovations—remain to be done.

The picture is different at Eielson Air Force Base. There, military and dependents grew very slowly over the past three years (1,000 more people vs. 2,800 for Fort Wainwright). The next two years should see declines in the local air force population. Three reasons account for this change:

- 1) the loss of the 6th Strategic Reconnaissance Wing,
- 2) the early release program designed to trim the size of the Air Force, and
- 3) the addition of Cope Thunder, a training facility for pilots, will partially offset the above losses.

The ultimate reduction due to the early release program is not yet known, but the Air Force estimates that the net loss at Eielson from the above-mentioned changes will be 550 military and 700 dependents in 1992. On the plus side, several construction projects are slated for Eielson, including \$13 million for Cope Thunder buildings and \$60 million for a Section 801 housing project.

The increasing numbers of military stationed near Fairbanks, and the multi-million dollar projects built to accommodate them, has been a source of economic growth for Fairbanks. As the national defense picture changes, this bonanza could be at an end. For the next two years, though, no dramatic changes are predicted, and ongoing construction on the bases should help keep construction jobs from falling very much.

Government spending big determinant in Fairbanks

How the state spends its revenue makes a big difference to the Fairbanks economy. Some of last year's job loss in Fairbanks was a decline in firefighters from the peak 1990 season. The University of Alaska also had lower employment in 1991 than the previous year. The current outlook for the 1992 and 1993 state budgets mandate some downsizing of state government. The decline projected in this forecast period could change quite a bit depending on the final state budget.

On the federal side, no job growth is forecast. The addition of Cope Thunder at Eielson will add civilian jobs, but offsetting losses will occur when the 6th Strategic Reconnaissance Wing relocates to Nebraska. Unless rumors of another F-16 wing or other new additions come to fruition, total federal employment should remain constant.

Local government jobs are forecast to increase for the same reason they increased in the last two years—higher school enrollments necessitate more staff at the Fairbanks North Star Borough School District. Last year's enrollment topped 15,000, an all-time high. Several hundred additional students are anticipated in each of the next two years, even without a growing military population. Two new elementary schools will open during this forecast period, one in 1992 and one in 1993.

Construction treads water; mining looks bright

The above-mentioned school construction, a few small projects at Wainwright, and new ones at Eielson, are some of the public construction activity that will keep employment from falling, as will ongoing projects at the University and its rocket range. Highway projects will also help maintain employment levels. Alaska is receiv-

ing more federal highway funds than in the past, and some of this increase will show up in Fairbanks. The Alaska Department of Transportation estimates an 8.7% increase in spending over 1991 on several area road projects, and another, somewhat smaller, increase in 1993.

An industry that holds promise for future job growth is hard rock mining. Jobs stagnated at 200 on an annual average basis in 1990 and 1991. This is a small portion of Fairbanks' employment, but doesn't include miners who aren't covered by unemployment insurance. The Amax Gold Co. recently purchased a well-publicized gold deposit at Fort Knox northeast of Fairbanks. It is one of the largest known deposits in the United States, and would employ up to 220 miners if developed. Another potential gold mine is at Ester Dome just west of Fairbanks. American Copper & Nickel is currently exploring and evaluating the deposit. New mining jobs at Fort Knox or Ester Dome, however, are farther in the future than this forecast time frame. Mining employment should remain steady in 1992 and 1993.

Summary: 500 New Jobs Forecast for Fairbanks

The Fairbanks economy is forecast to grow by 500 new jobs in the next two years. Most of this growth will occur in 1992. No new jobs are expected to be created in the goods-producing industries (mining, construction and manufacturing).

Retail trade should continue to enjoy the highest job gains, with new Sears Roebuck and Fred Meyer stores already open and a Pace Warehouse store slated to open late in 1992. Eating and drinking establishments should also continue benefitting from population growth.

The services industry is forecast for a minute—less than 1%—gain in employment overall. That is because some gains anticipated in hotels, health care and other personal services will likely be negated by no or negative growth in business and engineering services. Growth in revenue landings at Fairbanks International Airport and MarkAir's expansion are two reasons why a small increase in transportation is forecast.

The big question marks in the next two years are possible gains or losses by the Army or Air Force, and the state operating and capital budget allocations for Fairbanks. Both sectors play a big part in the Fairbanks economy. Changes in either would impact not only state and federal jobs but spiral out to affect other sectors as well.

Jobs Rise, Unemployment Falls

by Holly Stinson

Alaska's economy began its usual climb out of the winter doldrums in February. The month saw a 3,000-job gain from January and an unemployment rate half a percentage point lower, at 11.1%. (See Table 4.) After peaking in January, the unemployment rate has begun dropping in February for five of the last six years. (See Figure 1.) While a rate of 11.1% is almost two percentage points higher than last February's, it is more in line with the average February rate. There were 4,400 more unemployed workers than the same month last year.

Seafood picks up in Gulf Coast

The Gulf Coast region had the largest drop in unemployment, led by Kodiak where the unemployment rate plummeted from 15.7% in January to 5.8% in February. The main reason for this drop was the turnaround in seafood processing employment. After a bleak fourth quarter 1991 and a slow January, canneries added workers in February to process cod and crab.

A Cordova plant, normally closed for the season, is also processing cod this winter. Bad news for Cordova came when Chugach Alaska announced that their two plants, closed last summer, will not re-open. Instead, the canning equipment will be sold to a Vancouver firm and the buildings will sit empty. A third Cordova plant, now in Chapter 11 bankruptcy, may see new life during the upcoming salmon season if plans for its purchase by a newly-formed merger of Ketchikan and Seattle processors are realized.

The cod and crab seasons kept other Gulf Coast processors busy in February. Total new jobs compared to last February were small, but over-the-month gains from January were huge since January's level was unseasonably low. (See Table 2.)

The Gulf Coast region showed small but widespread gains in other industries, too. Only oil and gas, with a slight decline from last year, and state and federal government, with no job changes from last year, failed to contribute to this region's growth in February.

Perhaps the most encouraging news this region received in February concerned the future of Kodiak's processing plants and, in turn, Kodiak's economy. The U.S. Department of Commerce announced their approval of a plan to allocate most of the cod and pollock taken in the Gulf of Alaska to shore-based plants. The decision could be overturned or modified in a future court ruling, however.

Crab boom in Southwest

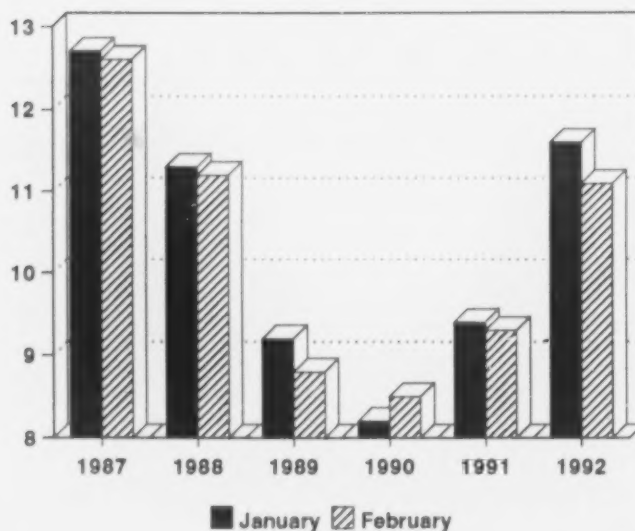
The Department of Commerce ruling also affects processors in the Southwest region, where shore-based plants may see an

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Figure • 1

Unemployment Rate Falls In February

Source: Alaska Department of Labor, Research and Analysis Section.



Nonagricultural Wage and Salary Employment by Place of Work — Alaska & Municipality of Anchorage

increase in the pollock they process if their 35% allocation holds up. Strong growth in the fishing industry caused this region to lead Alaska's job growth in February, which it has done for more than a year. Not all of the gains are attributed to bottomfish, either. While the pollock catch in February was high, the huge numbers of opilio crab harvested made headlines. The catch of these two species in February was so high that demand far outstripped supply of refrigerated containers to ship product in. One Dutch Harbor processor reported handling three times more opilio crab this February than last.

Logging in Southeast shows signs of improvement

Alaska's other manufacturing industry, wood products, still registered job losses compared to the same period of the previous year, but the downturn appears to be slowing in Southeast.

Logging jobs were virtually the same this February as last—the 150 jobs lost in the lumber and wood products category can all be attributed to the closed sawmills in Klawock and Haines. February marks the first month since July 1990 that employment in this category hasn't been 10% or more below the previous year's level.

A court ruling in late February opened up areas of the Tongass National Forest for logging, which had been unavailable for six

Alaska

	p/ 2/92	r/ 1/92	Changes from:		
			2/91	1/92	2/91
Total Nonag. Wage & Salary	233,500	230,500	228,500	3,000	5,000
Goods-producing	33,900	32,600	33,900	1,300	0
Mining	10,600	10,700	11,500	-100	-900
Construction	7,800	7,900	7,700	-100	100
Manufacturing	15,500	14,000	14,700	1,500	800
Durable Goods	2,100	1,900	2,500	200	-400
Lumber & Wood Products	1,500	1,300	1,800	200	-300
Nondurable Goods	13,400	12,100	12,200	1,300	1,200
Seafood Processing	9,500	8,200	8,400	1,300	1,100
Pulp Mills	900	900	900	0	0
Service-producing	199,600	197,900	194,600	1,700	5,000
Transportation	20,900	20,600	19,700	300	1,200
Trucking & Warehousing	2,700	2,700	2,500	0	200
Water Transportation	1,200	1,100	1,200	100	0
Air Transportation	6,800	6,800	6,400	0	400
Communications	3,500	3,500	3,400	0	100
Trade	44,500	44,800	43,500	-300	1,000
Wholesale Trade	7,500	7,400	7,400	100	100
Retail Trade	37,000	37,400	36,100	-400	900
Gen. Merch. & Apparel	6,100	6,400	5,400	-300	700
Food Stores	6,900	6,900	6,700	0	200
Eating & Drinking Places	12,300	12,200	12,100	100	200
Finance-Ins. & Real Estate	10,500	10,500	10,300	0	200
Services & Misc.	49,700	49,300	49,500	400	200
Hotels & Lodging Places	4,300	4,300	4,300	0	0
Health Services	11,200	11,200	10,900	0	300
Government	74,000	72,700	71,600	1,300	2,400
Federal	18,500	18,500	17,900	0	600
State	22,300	21,900	21,800	400	500
Local	33,200	32,300	31,900	900	1,300

Notes: Prepared in cooperation with the U.S. Bureau of Labor Statistics.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear here are definitionally different from those that appear in the Labor Force table.

Benchmark: March 1991

p/ denotes preliminary estimates

r/ denotes revised estimates

Source: Alaska Department of Labor, Research & Analysis Section.

Municipality of Anchorage

	p/ 2/92	r/ 1/92	2/91	1/92	2/91
Total Nonag. Wage & Salary	109,900	109,400	108,300	500	1,600
Goods-producing	10,200	10,200	10,500	0	-300
Mining	3,500	3,600	3,900	-100	-400
Construction	4,500	4,400	4,400	100	100
Manufacturing	2,200	2,200	2,200	0	0
Service-producing	99,700	99,200	97,800	500	1,900
Transportation	11,600	11,300	10,900	300	700
Communications	2,300	2,300	2,100	0	200
Trade	24,800	25,100	24,900	-300	-100
Wholesale Trade	5,600	5,500	5,500	100	100
Retail Trade	19,200	19,600	19,400	-400	-200
Food Stores	3,400	3,300	3,200	100	200
Finance-Ins. & Real Estate	6,600	6,600	6,600	0	0
Services & Misc.	28,700	28,500	28,300	200	400
Hotels & Lodging Places	2,200	2,200	2,200	0	0
Health Services	6,000	6,000	5,800	0	200
Government	28,000	27,700	27,100	300	900
Federal	10,700	10,700	10,300	0	400
State	8,300	8,100	8,100	200	200
Local	9,000	8,900	8,700	100	300

Table • 2

Nonagricultural Wage and Salary Employment By Place of Work

Southeast Region

	p/ 2/92	r/ 1/92	Changes from:		
			2/91	1/92	2/91
Total Nonag. Wage & Salary	30,600	30,350	30,300	250	300
Goods-producing	4,350	4,300	4,350	50	0
Mining	300	350	350	-50	-50
Construction	850	900	850	-50	0
Manufacturing	3,200	3,050	3,150	150	50
Durable Goods	1,350	1,150	1,500	200	-150
Lumber & Woods Products	1,300	1,100	1,450	200	-150
Nondurable Goods	1,850	1,900	1,650	-50	200
Seafood Processing	750	800	600	-50	150
Pulp Mills	900	900	900	0	0
Service-producing	26,250	26,050	25,950	200	300
Transportation	2,200	2,100	2,300	100	-100
Trade	5,200	5,300	5,000	-100	200
Wholesale Trade	550	550	550	0	0
Retail Trade	4,650	4,750	4,450	-100	200
Finance-Ins. & Real Estate	1,100	1,100	1,100	0	0
Services & Misc.	5,200	5,150	5,100	50	100
Government	12,550	12,400	12,450	150	100
Federal	1,900	1,900	1,900	0	0
State	5,500	5,550	5,600	-50	-100
Local	5,150	4,950	4,950	200	200

Fairbanks North Star Borough

	p/ 2/92	r/ 1/92	Changes from:		
			2/91	1/92	2/91
Total Nonag. Wage & Salary	27,500	27,250	26,050	250	1,450
Goods-producing	1,650	1,700	1,500	-50	150
Mining	200	200	150	0	50
Construction	900	950	850	-50	50
Manufacturing	550	550	500	0	50
Service-producing	25,850	25,550	24,550	300	1,300
Transportation	2,000	2,000	1,800	0	200
Trucking & Warehousing	450	450	400	0	50
Air Transportation	500	500	450	0	50
Communication	300	300	300	0	0
Trade	6,250	6,250	5,700	0	550
Wholesale Trade	750	750	750	0	0
Retail Trade	5,500	5,500	4,950	0	550
Gen. Merch. & Apparel	1,000	1,000	550	0	450
Food Stores	750	800	800	-50	-50
Eating & Drinking Places	1,850	1,800	1,850	50	0
Finance-Ins. & Real Estate	1,000	1,000	900	0	100
Services & Misc.	6,000	5,950	6,000	50	0
Government	10,600	10,350	10,150	250	450
Federal	3,050	3,050	2,950	0	100
State	4,700	4,450	4,300	250	400
Local	2,850	2,850	2,900	0	-50

Anchorage-MatSu Region

	p/ 2/92	r/ 1/92	Changes from:		
			2/91	1/92	2/91
Total Nonag. Wage & Salary	117,600	117,100	115,800	500	1,800
Goods-producing	10,750	10,750	11,100	0	-350
Mining	3,700	3,750	4,050	-50	-350
Construction	4,750	4,700	4,750	50	0
Manufacturing	2,300	2,300	2,300	0	0
Service-producing	106,850	106,350	104,700	500	2,150
Transportation	12,350	12,100	11,600	250	750
Trade	26,700	27,050	26,800	-350	-100
Finance-Ins. & Real Estate	6,900	6,900	6,900	0	0
Services & Misc.	30,150	29,900	29,750	250	400
Government	30,750	30,400	29,650	350	1,100
Federal	10,750	10,800	10,400	-50	350
State	9,100	8,900	8,900	200	200
Local	10,900	10,700	10,350	200	550

Interior Region

	p/ 2/92	r/ 1/92	Changes from:		
			2/91	1/92	2/91
Total Nonag. Wage & Salary	31,250	31,000	29,450	250	1,800
Goods-producing	1,750	1,850	1,600	-100	150
Mining	300	300	250	0	50
Construction	900	1,000	850	-100	50
Manufacturing	550	550	500	0	50
Service-producing	29,500	29,150	27,850	350	1,650
Transportation	2,250	2,250	1,950	0	300
Trade	6,600	6,600	5,950	0	650
Finance-Ins. & Real Estate	1,050	1,050	1,000	0	50
Services & Misc.	6,450	6,400	6,500	50	-50
Government	13,150	12,850	12,450	300	700
Federal	3,700	3,700	3,550	0	150
State	5,000	4,750	4,550	250	450
Local	4,450	4,400	4,350	50	100

Table • 2

Nonagricultural Wage and Salary Employment By Place of Work

Northern Region

	p/ 2/92	r/ 1/92	Changes from:		
			2/91	1/92	2/91
Total Nonag. Wage & Salary	14,350	14,200	14,600	150	-250
Goods-producing	5,550	5,600	6,150	-50	-600
Mining	5,050	5,150	5,700	-100	-650
Service-producing	8,800	8,600	8,450	200	350
Government	4,600	4,450	4,350	150	250
Federal	250	250	250	0	0
State	350	350	350	0	0
Local	4,000	3,850	3,750	150	250

Gulf Coast Region

	p/ 2/92	r/ 1/92	Changes from:		
			2/91	1/92	2/91
Total Nonag. Wage & Salary	22,700	21,550	22,200	1,150	500
Goods-producing	5,750	4,950	5,650	800	100
Mining	1,100	1,200	1,150	-100	-50
Construction	800	800	750	0	50
Manufacturing	3,850	2,950	3,750	900	100
Seafood Processing	3,050	2,150	2,850	900	200
Service-producing	16,950	16,600	16,550	350	400
Transportation	1,900	1,900	1,850	0	50
Trade	3,800	3,750	3,650	50	150
Wholesale Trade	450	400	400	50	50
Retail Trade	3,350	3,350	3,250	0	100
Finance-Ins. & Real Estate	600	600	550	0	50
Services & Misc.	4,450	4,300	4,350	150	100
Government	6,200	6,050	6,150	150	50
Federal	500	450	500	50	0
State	1,800	1,800	1,800	0	0
Local	3,900	3,800	3,850	100	50

Southwest Region

	p/ 2/92	r/ 1/92	Changes from:		
			2/91	1/92	2/91
Total Nonag. Wage & Salary	17,200	16,600	16,200	600	1,000
Goods-producing	5,750	5,250	5,000	500	750
Seafood Processing	5,550	5,050	4,750	500	800
Service-producing	11,450	11,350	11,200	100	250
Government	6,650	6,450	6,450	200	200
Federal	1,350	1,350	1,250	0	100
State	550	500	550	50	0
Local	4,750	4,600	4,650	150	100

Municipality of Anchorage — Other

	p/ 2/92	r/ 1/92	Changes from:		
			2/91	1/92	2/91
Durable Goods	400	400	400	0	0
Nondurable Goods	1,800	1,800	1,800	0	0
Trucking & Warehousing	1,700	1,600	1,500	100	200
Water Transportation	300	300	200	0	100
Air Transportation	4,200	4,200	4,100	-100	200
Gen. Merch. & Apparel	3,000	3,100	2,800	-100	200
Food Stores	3,400	3,300	3,200	100	200

Notes: Prepared in part with funding from the Alaska State Employment Security Division.
Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear here are definitionally different from those that appear in the Labor Force table.

Benchmark: March 1991
p/ denotes preliminary estimates
r/ denotes revised estimates

Source: Alaska Department of Labor, Research & Analysis Section.

years pending the outcome of lawsuits. Alaska Pulp began putting on additional loggers in March to harvest this newly-available timber; they forecast a job increase of 300-400 as a result. With the spotted owl protection cutting into the Pacific Northwest's available timber, the Southeast Alaska timber industry may have better days ahead.

Southeast's other manufacturing sector, seafood processing, lost 50 jobs from January but showed a large over-the-year gain. Trade, services and government jobs also registered gains compared to February 1991.

Northern region sees losses in oil industry

The only area of the state which had fewer jobs this February than last was the Northern region. (See Figure 2.) The mining industry losses of 650 jobs compared to February 1991 were confined to the oil and gas sector. With the two operators of Prudhoe Bay committed to consolidation and contraction, we can expect to see negative over-the-year comparisons in this sector for a

while to come. Most of the job losses so far, though, are showing up with the companies which provide services to the oil industry.

Bolstering the Northern region's economy was growth in the public sector. Local governments added staff on the education side and with other local departments. Even so, both Nome and the Northwest Arctic Borough saw February unemployment rates higher than they have been in at least eight years.

Most of Fairbanks' growth is in retail trade

Alaska's retail trade sector continued losing jobs from a holiday peak in December. Still, retail's growth over February 1991 was a healthy 2.4%. Much of this growth was in Fairbanks. In spite of layoffs at new retail stores in Fairbanks, the increase in retail jobs account for more than half of the state's total new retail jobs. Only one retail sector, food stores, did not register job growth over February 1991. The Fairbanks retail sector is not done expanding yet. Pace announced it will open a Fairbanks warehouse store this fall which will mean 170 more retail jobs.

Except for local government, which had 50 fewer jobs this February than last, all industries in Fairbanks are showing some employment gain over 1991, however slight. The Borough's 5.6% growth rate, though, is overwhelmingly attributable to new retail jobs rather than broad-based gains in all economic sectors.

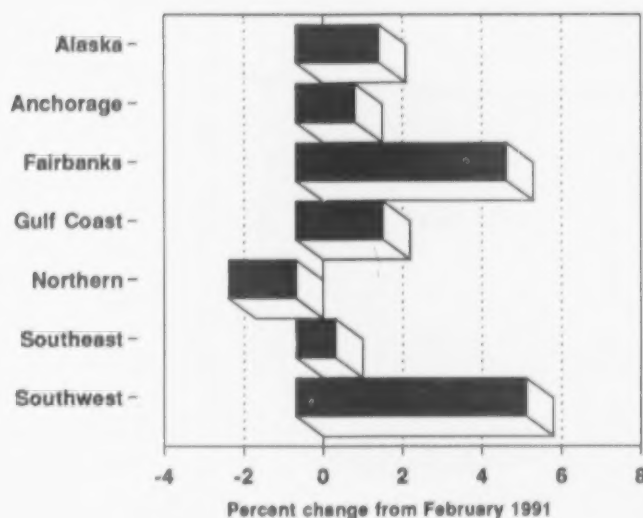
Anchorage's strong suit is transportation

None of Alaska's retail job increases showed up in Anchorage. In fact, a mixed picture exists in Anchorage's retail sector. Food and merchandise stores continued to see over-the-year job gains. The eating and drinking sector, along

Figure • 2

Southwest Leads Job Growth in February

Source: Alaska Department of Labor, Research and Analysis Section.



Alaska Hours and Earnings for Selected Industries

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	p/ 2/92	r/ 1/92	2/91	p/ 2/92	r/ 1/92	2/91	p/ 2/92	r/ 1/92	2/91
Mining	\$1,199.41	\$1,211.07	\$1,185.24	51.9	50.8	49.8	\$23.11	\$23.84	\$23.80
Construction	986.64	971.56	970.11	42.2	40.6	41.6	23.38	23.93	23.32
Manufacturing	553.52	404.08	525.39	57.9	37.8	49.8	9.56	10.69	10.55
Seafood Processing	505.45	307.62	468.76	65.9	38.5	57.8	7.67	7.99	8.11
Trans., Comm. & Utilities	641.93	621.95	584.12	34.2	33.1	34.0	18.77	18.79	17.18
Trade	358.28	342.54	350.28	32.9	31.6	31.5	10.89	10.84	11.12
Wholesale	599.22	581.20	584.51	39.5	37.4	40.2	15.17	15.54	14.54
Retail	310.63	296.46	303.96	31.6	30.5	29.8	9.83	9.72	10.20
Finance-Ins. & R.E.	415.35	409.88	389.42	35.5	34.3	33.6	11.70	11.95	11.59

Notes:
p/ denotes preliminary estimates
r/ denotes revised estimates
Benchmark: March 1991

Averages are based on data for full- and part-time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

Source: Alaska Department of Labor, Research & Analysis Section.

with automotive businesses, continued to suffer losses. This points to a belt-tightening in discretionary spending.

Anchorage's strongest source of growth in the private sector remains the transportation industry. Of the 1200 new jobs created in Anchorage's private sector in 1991, 750 were in the transportation, communication and utilities category. This job growth is continuing in 1992, and is spread across all segments of the industry from air and water transportation to utilities and communications. The other source of fairly strong growth in Anchorage was in the public sector. Federal, state and local governments all showed over-the-year gains from February 1991.

Although the economy is still creating jobs, the growth rate continues to slow and the pressure of too many new entrants for the jobs available in the local labor markets continues to grow. This February Alaska had about twice as many unemployment claims on wages from other states than in February 1991. This is an indication of how many job seekers from other states are now in Alaska who are eligible for unemployment benefits. It does not include the unknown amount of job seekers who either did not have enough work history before moving to Alaska to draw unemployment benefits or have exhausted their benefits.

February marks seasonal upturn

Alaska's economy began climbing out of its winter lull in February. As employment increased by 3,000 over January, the unemployment rate fell from 11.6% to

11.1%. Kodiak's rate dropped sharply from 15.7% in January to 5.8% in February. Added seafood jobs to process cod and crab was the main reason for this decline. Other processors in the Gulf Coast region also added employees. The U.S. Department of Commerce's approval of a plan to allocate more of the bottomfish harvest to shore-based plants was welcome news in Kodiak and the Aleutians.

Another federal ruling, this one by the U.S. District Court, was welcome news to the logging industry in Southeast Alaska. Areas of the Tongass National Forest which had been off-limits to logging for six years were opened up by this court ruling. The losses in Southeast logging jobs employment could be coming to an end, in part because of these new areas available for harvest.

Fairbanks and Anchorage both showed job gains in almost every industry. Fairbanks' strong suit was retail trade, while Anchorage's was transportation. The two cities also continued to experience employment growth in the public sector.

The only region with fewer jobs this February than last was Northern. There, increases in the private and public sectors were not enough to offset an over-the-year loss in the oil industry of 650 jobs. This is not surprising since the oil portion of the Northern region's mining industry accounts for about half of all private sector jobs in the region.

Even though every area of the state (except Northern) has a larger employment base than a year earlier, and

even though the unemployment rate began dropping this February, all is not rosy in the labor market. Many of the job gains are in industries with part-time, temporary, and lower-paying work. Job losses are beginning to show up in industries, such as the oil industry, known for their

high pay and good benefits. In addition, pressure continues on the labor market from external sources. Job seekers continue to head north from the Lower 48, and Alaska's economy is not growing fast enough to absorb them all.

Table • 4

Labor Force By Region and Census Area

	Labor Force			Unemployment			Rate %			Employment		
	p/ 2/92	r/ 1/92	2/91	p/ 2/92	r/ 1/92	2/91	p/ 2/92	r/ 1/92	2/91	p/ 2/92	r/ 1/92	2/91
Alaska Statewide	252,911	251,517	251,733	27,971	29,095	23,535	11.1	11.6	9.3	224,940	222,422	228,198
Anch.-MatSu Region	131,415	131,198	131,943	12,197	12,429	10,149	9.3	9.5	7.7	119,218	118,769	121,794
Munic. of Anchorage	114,463	114,404	115,162	9,187	9,426	7,696	8.0	8.2	6.7	105,276	104,978	107,466
MatSu Borough	16,952	16,794	16,781	3,010	3,003	2,453	17.8	17.9	14.6	13,942	13,791	14,328
Gulf Coast Region	29,470	28,911	29,014	4,728	5,310	3,723	16.0	18.4	12.8	24,742	23,601	25,291
Kenai Peninsula Borough	18,839	18,057	18,276	3,679	3,596	2,780	19.5	19.9	15.2	15,160	14,461	15,496
Kodiak Island Borough	6,130	6,534	6,232	353	1,024	327	5.8	15.7	5.2	5,777	5,510	5,905
Valdez-Cordova	4,501	4,320	4,506	696	690	616	15.5	16.0	13.7	3,805	3,630	3,890
Interior Region	35,845	35,691	34,716	4,923	4,953	4,481	13.7	13.9	12.9	30,922	30,738	30,235
Fairbanks North Star Bor.	30,846	30,724	29,876	4,034	4,072	3,660	13.1	13.3	12.3	26,812	26,652	26,216
Southeast Fairbanks	2,136	2,129	2,037	423	426	362	19.8	20.0	17.8	1,713	1,703	1,675
Yukon-Koyukuk	2,863	2,838	2,803	466	455	459	16.3	16.0	16.4	2,397	2,383	2,344
Northern Region	8,279	8,207	8,335	959	1,007	742	11.6	12.3	8.9	7,320	7,200	7,593
Nome	3,117	3,095	3,094	440	461	317	14.1	14.9	10.2	2,677	2,634	2,777
North Slope Borough	2,902	2,877	3,010	133	154	138	4.6	5.4	4.6	2,769	2,723	2,872
Northwest Arctic Borough	2,260	2,235	2,231	386	392	287	17.1	17.5	12.9	1,874	1,843	1,944
Southeast Region	33,566	33,569	33,867	4,159	4,383	3,667	12.4	13.1	10.8	29,407	29,186	30,200
Haines Borough ..	875	899	833	176	205	115	20.1	22.8	13.8	699	694	718
Juneau Borough	14,441	14,467	14,705	1,143	1,268	1,047	7.9	8.8	7.1	13,298	13,199	13,658
Ketchikan Gateway Bor.	6,452	6,516	6,468	1,002	1,107	872	15.5	17.0	13.5	5,450	5,409	5,596
Pr. of Wales-Outer Ketch.	2,667	2,737	2,627	498	585	400	18.7	21.4	15.2	2,169	2,152	2,227
Sitka Borough	3,851	3,741	3,882	387	303	325	10.0	8.1	8.4	3,464	3,438	3,557
Skagway-Yakutat-Angoon	1,755	1,743	1,795	401	399	404	22.8	22.9	22.5	1,354	1,344	1,391
Wrangell-Petersburg	3,525	3,466	3,557	552	516	504	15.7	14.9	14.2	2,973	2,950	3,053
Southwest Region	14,336	13,941	13,858	1,005	1,013	773	7.0	7.3	5.6	13,331	12,928	13,085
Aleutians East Borough	1,008	976	969	32	30	11	3.2	3.1	1.1	976	946	958
Aleutians West	2,781	2,698	2,731	47	47	47	1.7	1.7	1.7	2,734	2,651	2,684
Bethel	5,502	5,372	5,328	449	472	368	8.2	8.8	6.9	5,053	4,900	4,960
Bristol Bay Borough	566	562	550	51	62	44	9.0	11.0	8.0	515	500	506
Dillingham	2,647	2,544	2,509	233	203	140	8.8	8.0	5.6	2,414	2,341	2,369
Wade Hampton	1,832	1,789	1,771	193	199	163	10.5	11.1	9.2	1,639	1,590	1,608

Notes: p/ denotes preliminary estimates

r/ denotes revised estimates

Benchmark: March 1991

- Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey in formulas used to allocate federal funds.
 - Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor.
 - The official definition of unemployment currently in place excludes anyone who has made no attempt to find work in the four-week period up to and including the week that includes the 12th of each month. Most Alaska economists believe that Alaska's rural localities have proportionately more of these discouraged workers.
 - The employment numbers that appear above are definitionally different from those that appear in the Nonagricultural Wage & Salary Employment tables.
- Source: Alaska Department of Labor, Research & Analysis Section.

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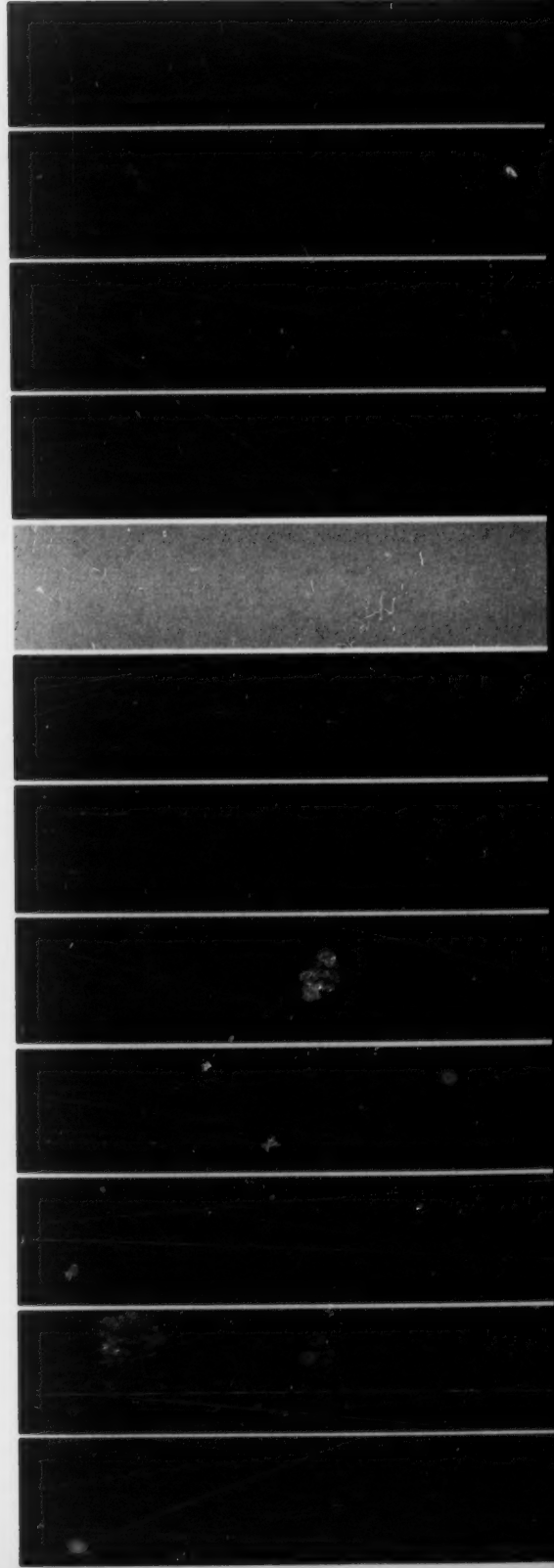
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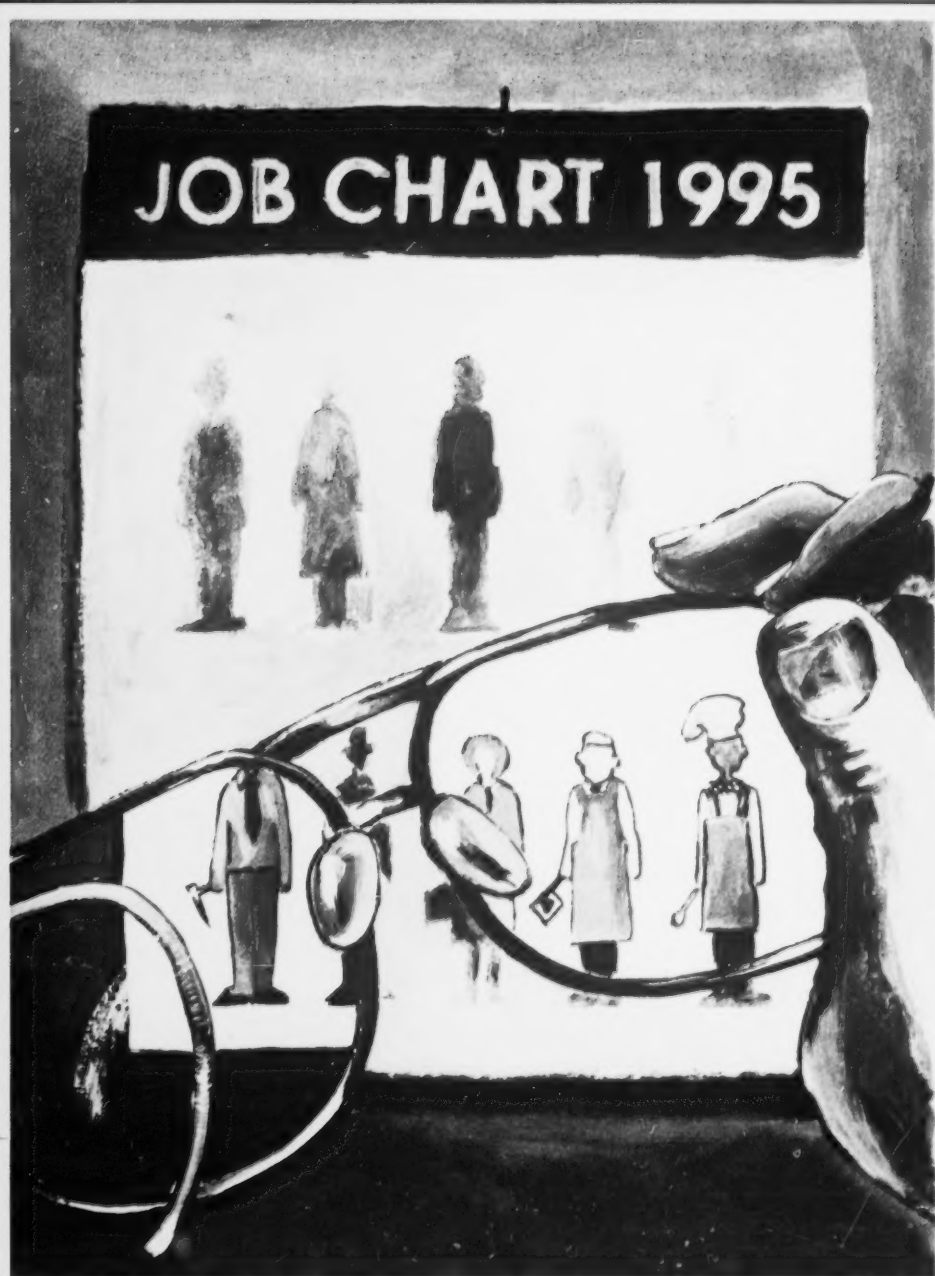
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ALASKA ECONOMIC TRENDS



June 1992

**INDUSTRY/OCCUPATIONAL
OUTLOOK TO 1995**

**MARCH CONTINUED
SEASONAL UPSWING**

**ALASKA DEPARTMENT OF LABOR
WALTER J. HICKEL, GOVERNOR**

ALASKA ECONOMIC

TRENDS

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**June 1992
Volume 12
Number 6**

Alaska State Employment Service



**UNEMPLOYMENT
INSURANCE**

maintaining the foundation of economic security

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Industry/Occupation Outlook to 1995

by Brynn Keith and Dean Rasmussen

Occupational and industry information is required to minimize the mismatch between the skills Alaska workers possess and the skills required by Alaska employers. To help Alaska's workers and employers make the best match in the labor market, the Alaska Department of Labor annually publishes a comprehensive report on the subject. This article highlights some of the information in *Alaska Industry/Occupation Outlook to 1995*. The industry and occupation forecasts used in this analysis are based on 1990 data.

Alaska economic overview

Overall, a 1.8% average annual employment growth rate is expected from 1990 to 1995. Total employment is projected to grow by approximately 20,000 workers during this five-year period. Growth will be unevenly distributed throughout the economy. Some industries will experience sustained and controlled growth. In contrast, other industry sectors will see a decline in employment. The majority of employment declines should occur in 1991, followed by four years of stagnant or very slow growth.

Due to the number of industry sectors that depend upon the price of oil or the tax revenue it generates (oil industry, oil field services, construction, state and local government and trade sectors) the five-year forecast of oil prices and production is critical. With this in mind, the Alaska Department of Revenue's most current oil price forecast was used in this analysis.

General Industry trends summarized

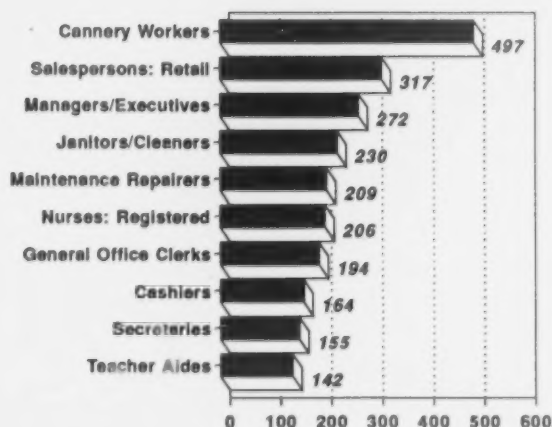
The opening of the Greens Creek and the Red Dog mines contributed to the surge in hard rock mining employment in recent years. The future of the industry will depend on the development of additional mining ventures over the next five years. Such projects may include the Kensington mining venture north of Juneau, Fort Knox near Fairbanks, and the AJ mine in Juneau. Employment gains resulting from mining development are initially felt in industries such as construction and transportation.

Brynn Keith and Dean Rasmussen are labor economists with the Research & Analysis Section, Administrative Services Division, Alaska Department of Labor. They are based in Juneau.

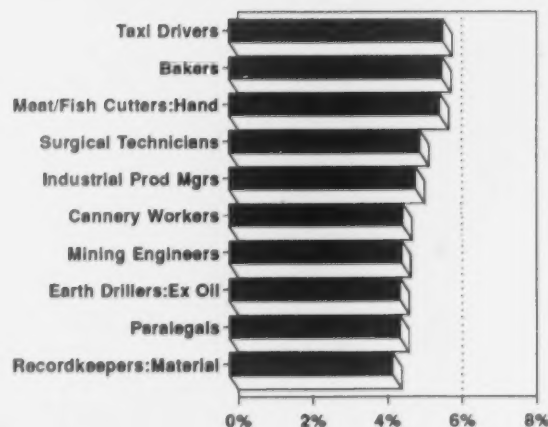
Figure • 1

Top 10 Alaska Occupations 1990-1995

Most Job Openings



Fastest Growing



Source: Alaska Department of Labor, Research and Analysis Section.

The decline in Prudhoe Bay production and the development of new fields are two factors affecting employment trends in Alaska's oil and gas mining industry. Recovering oil from a declining field requires more effort than tapping a new field. If oil prices jump up and stay high for an extended period, pressure to develop the Arctic National Wildlife Refuge and other potential fields will increase. Conversely, lower prices could postpone development until after the forecast period.

Employment in the oil and gas mining industry will also be affected by internal management decisions. In an effort to increase productivity and profitability, oil companies are cutting staff and overhead by contracting out key services such as technical and engineering support. Should this trend continue, employment in the oil and gas industrial sector could decline during the forecast period.

A rebound in real estate markets combined with a greater emphasis on capital projects should help offset decreases in oil and gas related construction activity. Several hundred construction workers could be employed if any of the major hard rock mining projects are developed. Building activity was up in 1991, as investors absorbed the commercial property surplus throughout the state. Construction activity is expected to remain stable for the next several years.

The health of the service-producing industries coincides with the health of the goods-producing industries. Profitability for service-producing companies corresponds to the amount of disposable income of community

members. Medical services and food are necessary expenses. Companies providing luxury or nonessential services are likely to see business decline if local incomes decrease. The service sector has grown faster than the overall economy during the last several years. Through the forecast period, it is expected that service-producing industries will continue to grow steadily.

Public employment will stagnate during the forecast period, with federal and state government sectors showing anemic growth. Declining oil revenues will force efficiencies in government programs. As a result, state government spending and employment will not keep pace with Alaska's increasing population. Similarly, increases in federal government employment will be hindered by the growing budget deficit and the need to cut federal spending. Federal employment in Alaska will remain flat during the forecast period.

As in state government, declining oil revenues will put a cap on local government growth. Although some local communities are looking to other revenue sources, downsizing will be required. Fueled by increased enrollment, the education segment of local government, however, is expected to grow during the forecast period.

Occupational employment and openings to 1995

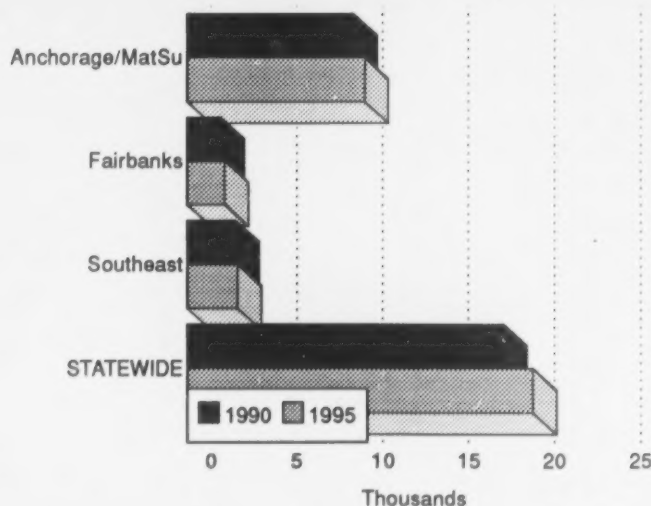
Alaska occupational employment is projected to increase at an annual average rate of 1.8%, from 250,925 to 273,089, between 1990 to 1995. Approximately 9,800 job openings are projected annually during this five-year period. Replacement needs are expected to account for 55% of the projected number of openings with industry growth accounting for the remainder. Projected annual job openings do not include jobs resulting from employee turnover (those who are promoted or leave one occupation for another).

Better than average employment opportunities are in large or fast growing occupations. Many sales, service, clerical, and craft, operator, and laborer occupations are large and provide numerous job opportunities for qualified applicants. Most job openings, however, will be a result of replacement needs rather than from industry growth. Large occupations tend to employ a larger proportion of young and part-time workers. Alaska's list of the ten largest occupations, however, includes two occupations held by established highly skilled workers: nurses and managers/executives.

Fast growing occupations are often small in size and generally require specific vocational or professional levels of education and skills. Most job openings result from industry growth rather than from replacement needs. Fast growing occupations may employ more prime-working age, full-time workers. A fast growing

Figure • 2

Officers and Managers Average Annual Job Openings 1990-1995



Source: Alaska Department of Labor, Research and Analysis Section.

occupation can generally offer higher pay, more benefits and better career advancement opportunities. A few fast growing occupations in Alaska, such as meat/fish cutters and cannery workers, are also large in size and these characteristics may not apply. Many of Alaska's fast growing occupations are found within the professional and technical, and craft, operator and laborer occupational categories.

Not all occupations will show positive employment growth. A number of agriculture and forestry occupations especially in the wood processing industry are expected to lose employment during this forecast. Growth for several other clerical and labor occupations is projected to be minimal or static.

Regional outlooks

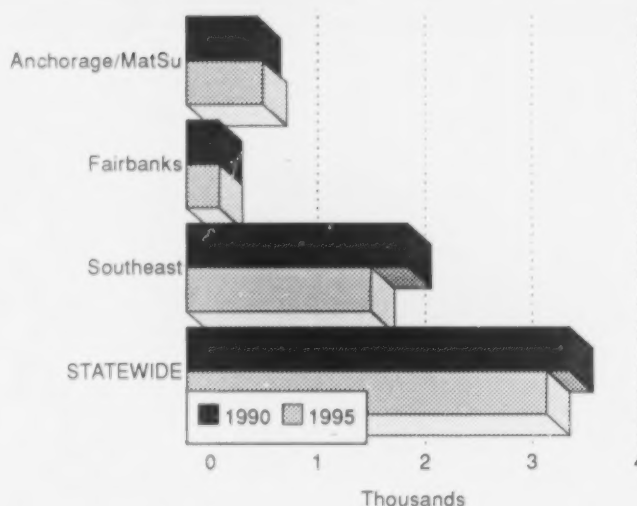
Anchorage/MatSu, the largest urban area in Alaska, includes approximately 50 percent of all occupational employment in the state. During this outlook, nearly 4,300 annual job openings are projected within this region. Most of Alaska's officers and managers, professional and technical, sales, and clerical workers work in these fields. The Anchorage/MatSu area also employs one-half of all service workers. No significant changes to this labor force distribution is expected during the next five years. Occupational employment is projected to grow at an average rate of 1.3% annually between 1990-95.

Fairbanks will remain a major service center for many interior and outlying locations. About 11.5 percent of all occupational employment can be found here. Most employment is within professional and technical, service or clerical types of occupations. This area is expected to produce approximately 1,200 jobs annually during this forecast. More than 50% of these jobs are expected to result from industry growth. Because of the influx in large retail stores, opportunity for sales related employment should be good. Overall, occupational employment is expected to grow at an average rate of 2.0% annually during this forecast.

Southeast Alaska supports approximately 15 percent of the state's occupational employment. Employment is projected to remain essentially stable during this forecast. Employment growth will be slowed by the decline in the timber cutting and wood processing industries and the slow growth in government employment. This region is projected to produce an average of 950 jobs annually. Most of these job openings will be due to replacement needs rather than industry growth. One-in-four jobs are currently in the craft, operator, laborer occupational category. Professional and technical workers, clerical workers and service workers are other major categories of occupations in this area.

Figure • 3

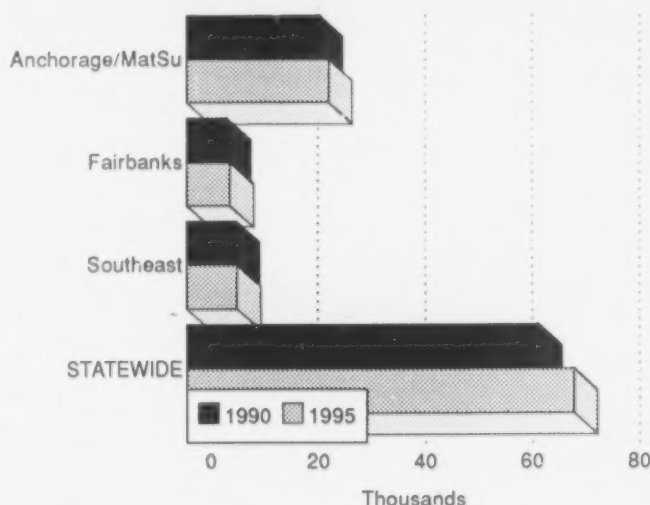
Professional & Technical Average Annual Job Openings 1990-1995



Source: Alaska Department of Labor, Research and Analysis Section.

Figure • 4

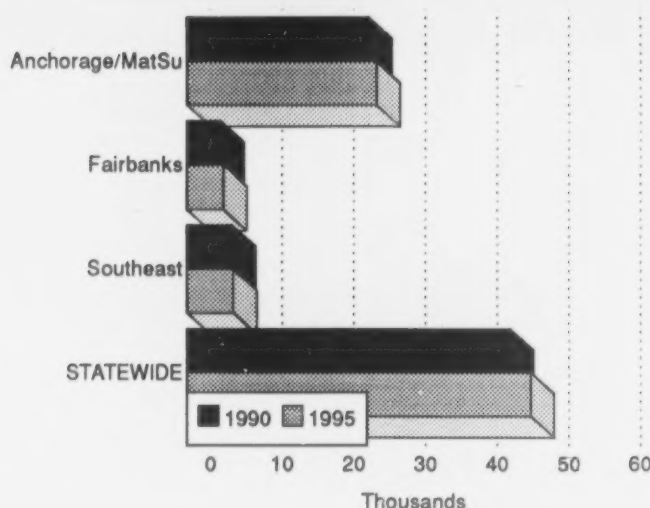
Sales Average Annual Job Openings 1990-1995



Source: Alaska Department of Labor, Research and Analysis Section.

Figure • 5

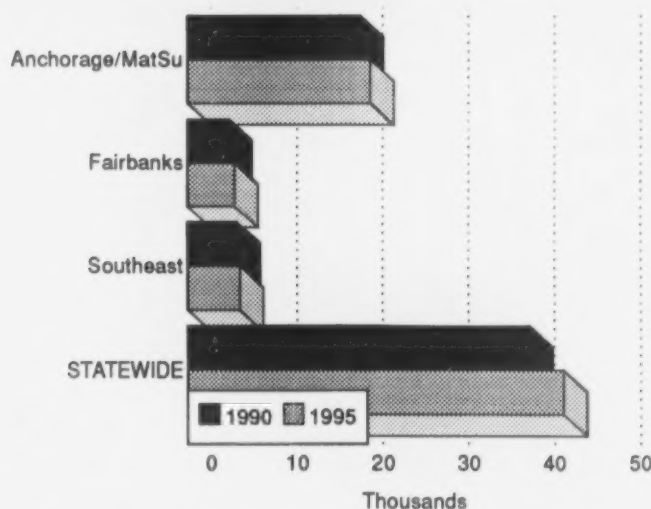
Clerical Average Annual Job Openings 1990-1995



Source: Alaska Department of Labor, Research and Analysis Section.

Figure • 6

Services Average Annual Job Openings 1990-1995



Source: Alaska Department of Labor, Research and Analysis Section.

Occupational trends

For discussion purposes, the labor market is divided into seven major occupational categories within the nonmilitary component of the economy. These projections are based on 1990 data, reflecting the economic assumptions made at the time of this forecast.

Officers and managers

Employment is expected to increase at an average rate of 1.9% annually, from 18,408 to 20,122, during this outlook. Officers and managers make up 7.3% of the total statewide occupational employment in Alaska and projections indicate that little change in this figure is expected through 1995. This occupational category is projected to produce 272 annual job openings per year during this forecast period; 111 jobs will result from actual job growth, and 161 jobs will result from replacement needs. Approximately 52 percent of officer and manager occupations are located in the Anchorage/MatSu region.

Professional and technical

In 1990, 21% of Alaska's labor force was employed in this occupational category. Employment in professional and technical occupations is projected to increase from 53,578 to 58,343 between 1990 to 1995. This is an average annual increase of 1.8%. Slightly more than 2,100 jobs are expected annually during this outlook period; 947 will result from industry growth and 1,182 through attrition. The Anchorage/MatSu area has 53% of the professional and technical occupations in the state. Fairbanks and Southeast have 13 and 14% respectively. No significant changes in these shares of employment are expected during the course of this outlook.

Sales

People in sales related occupations include approximately 10 percent of Alaska's work force. Overall, employment in sales is projected to increase by an average of 1.9% annually, from 24,835 to 27,180 jobs, during this outlook. An average of 1,042 annual job openings are projected to occur in sales of which 572 are expected to result from replacement needs and 470 are expected due to industry growth. In 1990, 64% of all sales related employment occurred in the Anchorage/MatSu area. Sales employment in Fairbanks accounted for 12% and Southeast had 11%. No significant change is expected in the statewide distribution of sales occupations during this outlook.

Clerical

Clerical occupations accounted for 18% of all employment in Alaska in 1990 and is expected to grow modestly

at an average annual rate of 1.3%, from 45,107 to 48,041, during this projection period. Clerical occupations will offer good employment opportunities for qualified job seekers. More than 80 percent of clerical employment can be found within the Anchorage/Mat-Su, Fairbanks, and Southeast areas of the state. No significant change to this distribution is expected during the next five years.

Service

Employment is expected to grow at an average annual rate of 2.0% between 1990 to 1995. This projected growth will boost employment in service occupations from 39,847 to 43,811 workers during the course of this outlook. About 50 percent of all service jobs are located in the Anchorage/MatSu area. An additional 12% of service employment occurs in the Fairbanks region, and roughly 14% can be found in Southeast. The remaining 24% of all service occupations can be found throughout the remaining areas of the state.

Agriculture and Forestry

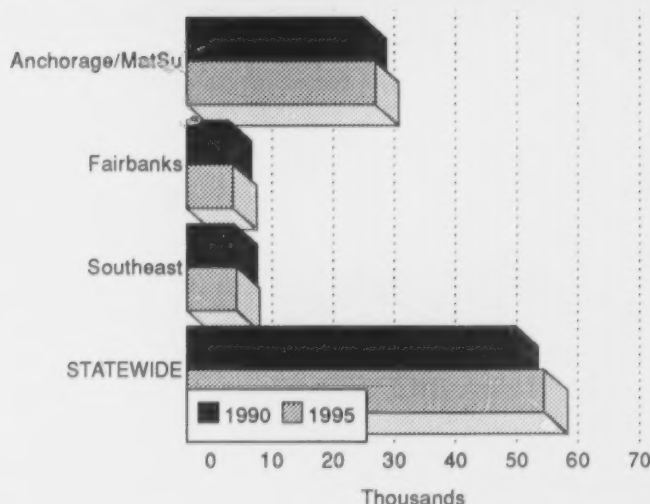
Agriculture and forestry occupations in Alaska during 1990 totaled 3,576 workers. The outlook for timber occupations in Southeast and Southcentral Alaska is not favorable. The Anchorage/MatSu area is projected to produce an average of 34 annual job openings and Fairbanks is expected to average 11 annual openings. Replacement will account for 70%; industry growth, 30% of the projected annual number of job openings in these two areas. Southeast Alaska had about 60 percent of the agriculture and forestry employment in 1990. During this outlook an average of 23 jobs are forecast to be lost annually within the region. This is an average annual 3.3% decline in employment through this projection period. As a result, southeast Alaska's share of employment in this occupational category is expected to decrease from 2,060 to 1,717 workers between 1990 to 1995.

Crafts, Operators, Laborers

Crafts, operators, laborers is the largest occupational category in the state and accounts for more than 26 percent of statewide employment. Employment is expected to increase from 65,583 to 72,239 workers during the next five years, an average annual increase of 2.0% during this projection period. Approximately 2,700 annual job openings are expected between 1990 to 1995, divided between industry growth and replacement needs. The Anchorage/MatSu, Fairbanks and Southeast areas account for nearly 63 percent of the total employment in this occupational category. The remaining 37% of these workers are employed throughout other areas in the state, across many different industries.

Figure • 7

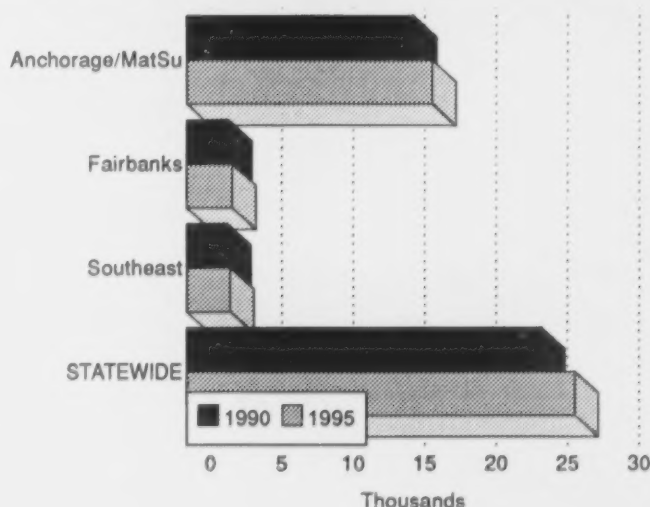
Agriculture & Forestry Average Annual Job Openings 1990-1995



Source: Alaska Department of Labor, Research and Analysis Section.

Figure • 8

Crafts, Operators & Laborers Average Annual Job Openings 1990-1995



Source: Alaska Department of Labor, Research and Analysis Section.

March Continued Seasonal Upswing

by John Boucher

Alaska's statewide unemployment rate dropped nearly a full percentage point in March to 10.1%. The falling unemployment rate indicated that the annual spring upswing in Alaska's economy is well underway. The 10.1% unemployment rate meant there were about 25,000 jobless Alaskans in March. Last March, Alaska's unemployment rate was 9.0% and there were about 22,800 unemployed Alaskans. (See Table 4.)

Nonagricultural wage and salary employment corroborated the statewide unemployment statistics. There were 2,000 more wage and salary jobs available in March than there were in February. (See Table 1.)

Job growth just underway

February and March are normally transition months in Alaska's economy. The job losses that characterize the wintertime economy have reversed themselves, but the substantial job gains are yet to come. In fact, the Febru-

ary to March job gain is often the smallest of the annual upswing. (See Figure 1.)

While the February to March employment gains could be categorized as sluggish, they portend a unique characteristic of Alaska's economy. The magnitude of the job gain in Alaska's economy from January to July is nothing short of phenomenal. During the last five years an average of more than 37,000 jobs were added during this six-month period. That translates into a 17.7% increase in employment from winter to summer. The number of jobs gained would be even greater if self-employed individuals were counted in these figures. The number of fishermen, for example, fluctuates dramatically from January to July. In percentage terms, no other state's employment fluctuates nearly as much as Alaska's does during a one-year period.

'92 growth below average—so far

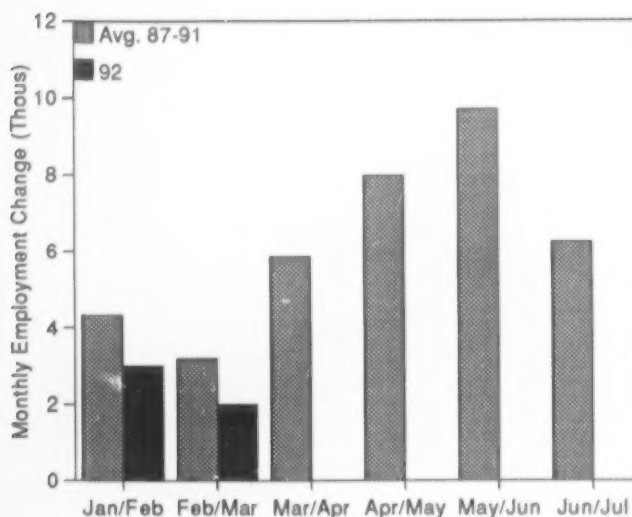
Figure 1 also points out that employment growth thus far in 1992 has been below the average of the last five years. Examination of the slower job growth points out that the slowdown is attributable to nearly every major industry. Relatively speaking, the major contributors to the slower job growth are the trade, mining, and services industries. (See Figure 2.)

Normally, trade employment has kicked into the growth mode by March; but this year trade employment was still below January levels. This is partially due to the exceptionally strong retail growth posted during the winter months because of new entries into the Fairbanks market. Trade employment growth should pick up next month as preparation for the tourist season begins.

John Boucher is a labor economist with the Research & Analysis Section, Administrative Services Division, Alaska Department of Labor. He is based in Juneau.

Figure • 1

Average Monthly Change in Wage & Salary Employment 1987-1991



Source: Alaska Department of Labor, Research and Analysis Section.

Table • 1

Nonagricultural Wage and Salary Employment by Place of Work — Alaska & Municipality of Anchorage

Alaska

Changes from:

	p/ 3/92	r/ 2/92	3/91	2/92	3/91
Total Nonag. Wage & Salary	235,500	233,500	231,400	2,000	4,100
Goods-producing	35,400	34,200	35,600	1,200	-200
Mining	10,800	10,700	11,800	100	-1,000
Construction	8,200	7,900	8,100	300	100
Manufacturing	16,400	15,600	15,700	800	700
Durable Goods	2,400	2,100	3,000	300	-600
Lumber & Wood Products	1,800	1,500	2,300	300	-500
Nondurable Goods	14,000	13,500	12,700	500	1,300
Seafood Processing	10,100	9,700	8,800	400	1,300
Pulp Mills	900	900	900	0	0
Service-producing	200,100	199,300	195,800	800	4,300
Transportation	20,900	20,700	19,900	200	1,000
Trucking & Warehousing	2,800	2,700	2,600	100	200
Water Transportation	1,300	1,100	1,200	200	100
Air Transportation	6,600	6,700	6,400	-100	200
Communications	3,500	3,500	3,400	0	100
Trade	44,400	44,400	44,000	0	400
Wholesale Trade	7,600	7,500	7,500	100	100
Retail Trade	36,800	36,900	36,500	-100	300
Gen. Merch. & Apparel	6,100	6,100	5,300	0	800
Food Stores	7,000	6,900	7,000	100	0
Eating & Drinking Places	12,200	12,300	12,200	-100	0
Finance-Ins. & Real Estate	10,600	10,500	10,400	100	200
Services & Misc.	49,900	49,700	49,800	200	100
Hotels & Lodging Places	4,500	4,300	4,400	200	100
Health Services	11,300	11,200	11,000	100	300
Government	74,300	74,000	71,700	300	2,600
Federal	18,500	18,500	17,900	0	600
State	22,600	22,300	21,800	300	800
Local	33,200	33,200	32,000	0	1,200

Notes: Prepared in cooperation with the U.S. Bureau of Labor Statistics.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear here are definitionally different from those that appear in the Labor Force table.

Benchmark: March 1991
p/ denotes preliminary estimates
r/ denotes revised estimates

Source: Alaska Department of Labor, Research & Analysis Section.

So far in 1992, mining employment has experienced only 20% of the average job growth it normally does between January and March. The reason is the general slowdown in oil industry employment. Hard rock mining is contributing its normal seasonal job addition; but the oil field services sector has contributed little or no job growth to the mining industry since January.

Services employment has posted about 50% of its five-year average growth in the first few months of the year. The professional services sector has been particularly sluggish this year. This category includes a broad base of firms including engineering and architectural firms, accountants and bookkeepers, and management and public relations consultants. The general slowdown in Alaska's economy is one reason for a sluggish services sector, the oil industry is another. The oil industry is a major consumer of professional services and they have made attempts to streamline where they are able.

Manufacturing leading the way

Since January, the manufacturing industry has created the majority of the additional wage and salary employment opportunities in Alaska, adding 2,400 jobs. Of those 2,400 jobs most have been in the seafood processing sector. The vast majority of those are in the Gulf Coast region and Southwestern Alaska. A strong bottomfish and

Municipality of Anchorage

	p/ 3/92	r/ 2/92	3/91	2/92	3/91
Total Nonag. Wage & Salary	110,300	109,800	108,900	500	1,400
Goods-producing	10,500	10,300	10,900	200	-400
Mining	3,600	3,600	4,000	0	-400
Construction	4,600	4,500	4,500	100	100
Manufacturing	2,300	2,200	2,400	100	-100
Service-producing	99,800	99,500	98,000	300	1,800
Transportation	11,400	11,500	11,000	-100	400
Communications	2,200	2,300	2,100	-100	100
Trade	24,800	24,600	25,100	200	-300
Wholesale Trade	5,700	5,600	5,600	100	100
Retail Trade	19,100	19,000	19,500	100	-400
Food Stores	3,300	3,300	3,400	0	-100
Finance-Ins. & Real Estate	6,700	6,600	6,600	100	100
Services & Misc.	28,800	28,700	28,300	100	500
Hotels & Lodging Places	2,200	2,200	2,200	0	0
Health Services	6,000	6,000	5,800	0	200
Government	28,100	28,100	27,000	0	1,100
Federal	10,600	10,600	10,300	0	300
State	8,300	8,300	8,100	0	200
Local	9,200	9,200	8,600	0	600

Table • 2

Nonagricultural Wage and Salary Employment By Place of Work

Southeast Region

	p/ 3/92	r/ 2/92	Changes from:		
			3/91	2/92	3/91
Total Nonag. Wage & Salary	31,550	30,650	31,150	900	400
Goods-producing	4,850	4,450	5,000	400	-150
Mining	350	350	350	0	0
Construction	950	850	950	100	0
Manufacturing	3,550	3,250	3,700	300	-150
Durable Goods	1,600	1,350	1,950	250	-350
Lumber & Woods Products	1,550	1,250	1,900	300	-350
Nondurable Goods	1,950	1,900	1,750	50	200
Seafood Processing	850	800	700	50	150
Pulp Mills	900	900	900	0	0
Service-producing	26,700	26,200	26,150	500	550
Transportation	2,350	2,150	2,300	200	50
Trade	5,300	5,200	5,100	100	200
Wholesale Trade	550	550	550	0	0
Retail Trade	4,750	4,650	4,550	100	200
Finance-Ins. & Real Estate	1,100	1,100	1,100	0	0
Services & Misc.	5,350	5,250	5,200	100	150
Government	12,600	12,500	12,450	100	150
Federal	1,900	1,850	1,900	50	0
State	5,500	5,500	5,600	0	-100
Local	5,200	5,150	4,950	50	250

Fairbanks North Star Borough

	p/ 3/92	r/ 2/92	Changes from:		
			3/91	2/92	3/91
Total Nonag. Wage & Salary	27,700	27,350	26,200	350	1,500
Goods-producing	1,700	1,650	1,550	50	150
Mining	200	200	150	0	50
Construction	950	900	850	50	100
Manufacturing	550	550	550	0	0
Service-producing	26,000	25,700	24,650	300	1,350
Transportation	2,000	2,000	1,800	0	200
Trucking & Warehousing	400	450	400	-50	0
Air Transportation	500	500	450	0	50
Communication	300	300	300	0	0
Trade	6,200	6,200	5,750	0	450
Wholesale Trade	750	750	750	0	0
Retail Trade	5,450	5,450	5,000	0	450
Gen. Merch. & Apparel	950	1,000	550	-50	400
Food Stores	750	750	850	0	-100
Eating & Drinking Places	1,850	1,850	1,850	0	0
Finance-Ins. & Real Estate	1,000	1,000	900	0	100
Services & Misc.	5,900	5,850	6,000	50	-100
Government	10,900	10,650	10,200	250	700
Federal	3,050	3,050	2,950	0	100
State	4,950	4,700	4,350	250	600
Local	2,900	2,900	2,900	0	0

Anchorage-MatSu Region

	p/ 3/92	r/ 2/92	Changes from:		
			3/91	2/92	3/91
Total Nonag. Wage & Salary	117,750	117,500	116,500	250	1,250
Goods-producing	10,950	10,800	11,400	150	-450
Mining	3,750	3,750	4,100	0	-350
Construction	4,850	4,800	4,850	50	0
Manufacturing	2,350	2,250	2,450	100	-100
Service-producing	106,800	106,700	105,100	100	1,700
Transportation	12,150	12,300	11,750	-150	400
Trade	26,600	26,450	27,000	150	-400
Finance-Ins. & Real Estate	7,000	6,900	6,900	100	100
Service & Misc.	30,250	30,200	29,800	50	450
Government	30,800	30,850	29,650	-50	1,150
Federal	10,700	10,700	10,400	0	300
State	9,050	9,100	8,900	-50	150
Local	11,050	11,050	10,350	0	700

Interior Region

	p/ 3/92	r/ 2/92	Changes from:		
			3/91	2/92	3/91
Total Nonag. Wage & Salary	31,550	31,150	29,700	400	1,850
Goods-producing	1,850	1,850	1,650	0	200
Mining	350	350	250	0	100
Construction	950	950	850	0	100
Manufacturing	550	550	550	0	0
Service-producing	29,700	29,300	28,050	400	1,650
Transportation	2,250	2,250	1,950	0	300
Trade	6,550	6,550	6,050	0	500
Finance-Ins. & Real Estate	1,050	1,050	1,000	0	50
Services & Misc.	6,350	6,300	6,500	50	-150
Government	13,500	13,150	12,550	350	950
Federal	3,700	3,700	3,550	0	150
State	5,250	5,000	4,600	250	650
Local	4,550	4,450	4,400	100	150

Table • 2

Nonagricultural Wage and Salary Employment By Place of Work

Northern Region

	Changes from:				
	p/ 3/92	r/ 2/92	3/91	2/92	3/91
Total Nonag. Wage & Salary	14,550	14,400	14,850	150	-300
Goods-producing	5,700	5,600	6,350	100	-650
Mining	5,150	5,050	5,850	100	-700
Service-producing	8,850	8,800	8,500	50	350
Government	4,600	4,600	4,350	0	250
Federal	250	250	250	0	0
State	350	350	350	0	0
Local	4,000	4,000	3,750	0	250

Gulf Coast Region

	Changes from:				
	p/ 3/92	r/ 2/92	3/91	2/92	3/91
Total Nonag. Wage & Salary	23,250	22,700	22,600	550	650
Goods-producing	6,050	5,800	5,800	250	250
Mining	1,150	1,150	1,200	0	-50
Construction	800	800	800	0	0
Manufacturing	4,100	3,850	3,800	250	300
Seafood Processing	3,250	3,050	2,900	200	350
Service-producing	17,200	16,900	16,800	300	400
Transportation	2,000	1,950	1,850	50	150
Trade	3,950	3,800	3,800	150	150
Wholesale Trade	450	400	450	50	0
Retail Trade	3,500	3,400	3,350	100	150
Finance-Ins. & Real Estate	600	600	600	0	0
Services & Misc.	4,450	4,400	4,350	50	100
Government	6,200	6,150	6,200	50	0
Federal	500	450	500	50	0
State	1,800	1,800	1,800	0	0
Local	3,900	3,900	3,900	0	0

Southwest Region

	Changes from:				
	p/ 3/92	r/ 2/92	3/91	2/92	3/91
Total Nonag. Wage & Salary	17,400	17,350	16,400	50	1,000
Goods-producing	5,950	5,900	5,300	50	650
Seafood Processing	5,750	5,700	5,000	50	750
Service-producing	11,450	11,450	11,100	0	350
Government	6,600	6,650	6,400	-50	200
Federal	1,350	1,350	1,250	0	100
State	550	550	550	0	0
Local	4,700	4,750	4,600	-50	100

Municipality of Anchorage — Other

	Changes from:				
	p/ 3/92	r/ 2/92	3/91	2/92	3/91
Durable Goods	400	400	500	0	-100
Nondurable Goods	1,900	1,800	1,900	100	0
Trucking & Warehousing	1,700	1,700	1,600	0	100
Water Transportation	300	300	200	0	100
Air Transportation	4,100	4,200	4,100	-100	0
Gen. Merch. & Apparel	3,000	3,000	2,800	0	200
Eating & Drinking Places	6,900	6,800	7,200	-100	300

Notes: Prepared in part with funding from the Alaska State Employment Security Division.
Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear here are definitionally different from those that appear in the Labor Force table.

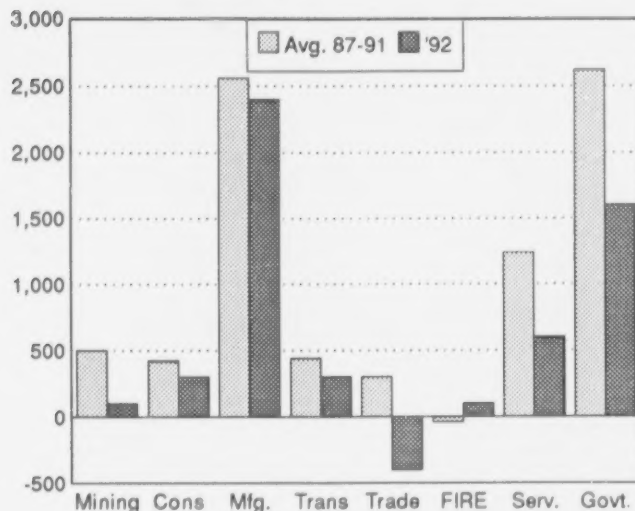
Benchmark: March 1991
p/ denotes preliminary estimates
r/ denotes revised estimates

Source: Alaska Department of Labor, Research & Analysis Section.

Figure • 2

January-March Change in Wage & Salary Employment

Source: Alaska Department of Labor, Research and Analysis Section.



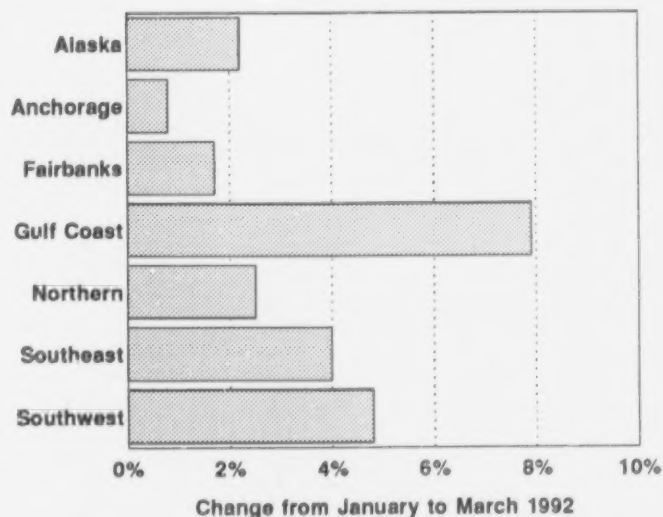
opilio crab harvest drive the employment expansion in these regions. Some additional seafood processing employment is evident in Southeastern Alaska; but it's inconsequential compared to what's happening farther north.

Fish processing isn't the only part of the manufacturing sector contributing to the job base. Southeast Alaska's wood products industry started coming to life when the logging industry added about 300 jobs in March. Other potential good news on the processing side of the timber industry was received when Chugach Alaska announced the sale of their Seward sawmill to Idaho Timber Corporation of Boise. The firm announced that it would attempt to reopen the facility as early as May- which could put around 80 people back to work in the mill as well as provide some additional logging jobs.

Figure • 3

Gulf Coast Leads Seasonal Growth

Source: Alaska Department of Labor, Research and Analysis Section.



The star performer of 1991, the transportation industry, posted job growth during the first two months of the year; but at a slightly slower than average pace. The slowdown in job growth can be attributed to two portions of the transportation industry. The trucking and warehousing sector, which includes United Parcel Service, has not grown as fast in early '92 as it has in recent years. Smaller air carriers are also behind their normal growth rates.

Alaska Hours and Earnings for Selected Industries

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	p/ 3/92	r/ 2/92	3/91	p/ 3/92	r/ 2/92	3/91	p/ 3/92	r/ 2/92	3/91
Mining	\$1,201.36	\$1,196.58	\$1,170.75	51.1	51.8	48.7	\$23.51	\$23.10	\$24.04
Construction	958.17	994.47	990.78	41.0	42.3	42.0	23.37	23.51	23.59
Manufacturing	517.55	545.28	524.81	51.6	56.8	46.9	10.03	9.60	11.19
Seafood Processing	449.02	506.48	440.26	57.2	65.1	52.6	7.85	7.78	8.37
Trans., Comm. & Utilities	596.34	621.30	574.00	32.2	34.1	32.8	18.52	18.22	17.50
Trade	369.52	358.71	358.21	33.2	33.0	32.3	11.13	10.87	11.09
Wholesale	588.00	604.96	593.88	39.2	39.8	40.4	15.00	15.20	14.70
Retail	325.44	310.34	310.99	32.0	31.7	30.7	10.17	9.79	10.13
Finance-Ins. & R.E.	428.62	410.43	403.02	35.6	35.2	34.3	12.04	11.66	11.75

Notes:
p/ denotes preliminary estimates
r/ denotes revised estimates
Benchmark: March 1991

Regional job growth reflects seasonal industry patterns

Not surprisingly, the fastest growing regions since January have been those with the highest concentrations of manufacturing employment. Gulf Coast has added jobs at the fastest rate followed by Southwestern Alaska, Southeast Alaska and Northern. Fairbanks and Anchorage are bringing up the rear when it comes to job growth since the first of the year. (See Figure 3.)

This is not an unusual pattern when it comes to seasonal job growth in the state. Larger urban areas tend to have a higher percentage of year round employment available than rural Alaska. This is reflected in the percentage change in the job count in urban communities from the high to the low season. In 1991 Anchorage wage and salary employment fluctuated about 10% between its lowest point of the year and its highest point. In the Gulf Coast region employment fluctuated 40% between its low and high point. In Southwest Alaska employment fluctuated 35%.

Summary: normal seasonal patterns, less growth

March employment and unemployment statistics exhibited normal seasonal patterns. Unemployment decreased from 11.0% to 10.1% while seasonal employment started to gear up in Alaska's rural locations. The seafood processing industry and the timber industry were responsible for most of the job gains in rural Alaska during the month. Urban Alaska is expected to join the seasonal employment surge in the next few months as the tourism and construction industries get into high gear for the summer.

The employment and unemployment statistics in March also showed that Alaska's economy has slowed from the growth pace that it has been on since the early part of 1989. Less employment growth—particularly in trade, mining and services accompanied by higher unemployment rates point to a slower Alaskan economy. The seasonal surge is just around the corner though and Alaskans can look forward to more plentiful employment opportunities during the next several months.

Averages are based on data for full- and part-time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

Source: Alaska Department of Labor, Research & Analysis Section.

T a b l e • 4

Labor Force By Region and Census Area

	Labor Force			Unemployment			Rate %			Employment		
	p/ 3/92	r/ 2/92	3/91	p/ 3/92	r/ 2/92	3/91	p/ 3/92	r/ 2/92	3/91	p/ 3/92	r/ 2/92	3/91
Alaska Statewide	253,938	252,861	254,111	25,523	27,913	22,782	10.1	11.0	9.0	228,415	224,948	231,329
Anch.-MatSu Region	131,499	131,217	132,745	11,605	12,167	10,085	8.8	9.3	7.6	119,894	119,050	122,660
Munic. of Anchorage	114,738	114,259	116,027	8,834	9,167	7,824	7.7	8.0	6.7	105,904	105,092	108,203
MatSu Borough	16,761	16,958	16,718	2,771	3,000	2,261	16.5	17.7	13.5	13,990	13,958	14,457
Gulf Coast Region	29,687	29,598	29,503	4,064	4,721	3,546	13.7	16.0	12.0	25,623	24,877	25,957
Kenai Peninsula Borough	18,822	18,917	18,534	3,122	3,674	2,630	16.6	19.4	14.2	15,700	15,243	15,904
Kodiak Island Borough	6,311	6,160	6,338	329	352	278	5.2	5.7	4.4	5,982	5,808	6,060
Valdez-Cordova	4,554	4,521	4,631	613	695	638	13.5	15.4	13.8	3,941	3,826	3,993
Interior Region	35,802	35,722	34,833	4,418	4,911	4,258	12.3	13.7	12.2	31,384	30,811	30,575
Fairbanks North Star Bor.	30,865	30,740	30,011	3,653	4,024	3,500	11.8	13.1	11.7	27,212	26,716	26,511
Southeast Fairbanks	2,090	2,129	2,009	351	422	315	16.8	19.8	15.7	1,739	1,707	1,694
Yukon-Koyukuk	2,847	2,853	2,813	414	465	443	14.5	16.3	15.7	2,433	2,388	2,370
Northern Region	8,313	8,294	8,440	864	959	750	10.4	11.6	8.9	7,449	7,335	7,690
Nome	3,134	3,123	3,125	410	440	312	13.1	14.1	10.0	2,724	2,683	2,813
North Slope Borough	2,921	2,907	3,049	103	133	140	3.5	4.6	4.6	2,818	2,774	2,909
Northwest Arctic Borough	2,258	2,264	2,266	351	386	298	15.5	17.0	13.2	1,907	1,878	1,968
Southeast Region	34,166	33,609	34,593	3,594	4,150	3,305	10.5	12.3	9.6	30,572	29,459	31,288
Haines Borough	910	875	836	183	175	92	20.1	20.0	11.0	727	700	744
Juneau Borough	14,852	14,463	15,128	1,027	1,140	979	6.9	7.9	6.5	13,825	13,323	14,149
Ketchikan Gateway Bor.	6,459	6,459	6,520	794	1,000	722	12.3	15.5	11.1	5,665	5,459	5,798
Pr. of Wales-Outer Ketch.	2,689	2,670	2,674	434	497	367	16.1	18.6	13.7	2,255	2,173	2,307
Sitka Borough	3,928	3,856	3,972	327	386	286	8.3	10.0	7.2	3,601	3,470	3,686
Skagway-Yakutat-Angoon	1,759	1,757	1,841	351	401	400	20.0	22.8	21.7	1,408	1,356	1,441
Wrangell-Petersburg	3,569	3,529	3,622	478	551	459	13.4	15.6	12.7	3,091	2,978	3,163
Southwest Region	14,471	14,421	13,997	978	1,005	838	6.8	7.0	6.0	13,493	13,416	13,159
Aleutians East Borough	1,016	1,014	980	28	32	17	2.8	3.2	1.7	988	982	963
Aleutians West	2,809	2,799	2,752	42	48	53	1.5	1.7	1.9	2,767	2,751	2,699
Bethel	5,571	5,535	5,373	457	450	385	8.2	8.1	7.2	5,114	5,085	4,988
Bristol Bay Borough	576	570	554	54	51	45	9.4	8.9	8.1	522	519	509
Dillingham	2,649	2,662	2,528	206	233	145	7.8	8.8	5.7	2,443	2,429	2,383
Wade Hampton	1,850	1,841	1,810	191	191	193	10.3	10.4	10.7	1,659	1,650	1,617

Notes: p/ denotes preliminary estimates

r/ denotes revised estimates

Benchmark: March 1991

- Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey in formulas used to allocate federal funds.
- Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor.
- The official definition of unemployment currently in place excludes anyone who has made no attempt to find work in the four-week period up to and including the week that includes the 12th of each month. Most Alaska economists believe that Alaska's rural localities have proportionately more of these discouraged workers.
- The employment numbers that appear above are definitionally different from those that appear in the Nonagricultural Wage & Salary Employment tables.

Source: Alaska Department of Labor, Research & Analysis Section.

Alaska Employment Service

Anchorage: Phone 269-4800

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Mat-Su: Phone 376-2407/08

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Glennallen: Phone 822-3350

Kotzebue: Phone 442-3280

Nome: Phone 443-2626/2460

Tok: Phone 883-5629

Valdez: Phone 835-4910

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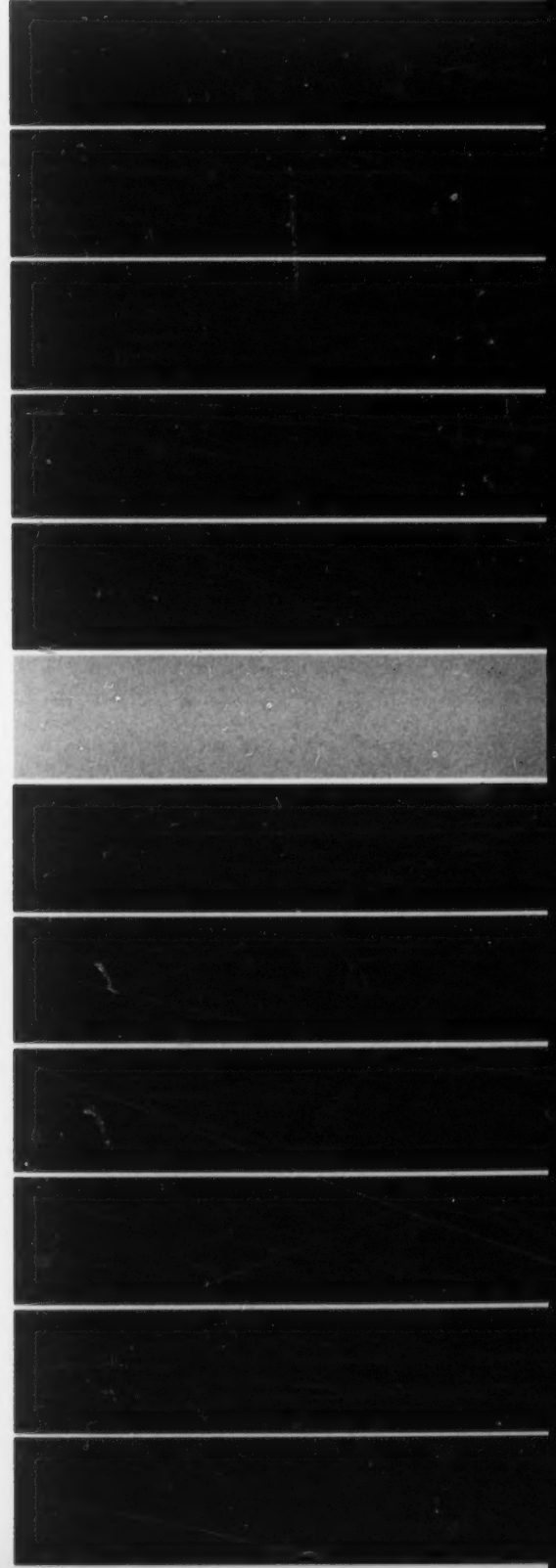
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ALASKA ECONOMIC

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July 1992

**ALASKA'S EMPLOYMENT
STILL GOWING**

**INCOME IN ALASKA:
A DECADE OF CHANGE**

**ALASKA DEPARTMENT OF LABOR
WALTER J. HICKEL, GOVERNOR**

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**Alaska State
Employment Service**



**UNEMPLOYMENT
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maintaining the foundation of economic security

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Region and Census Area

Correction: In the June issue of *Alaska Economic Trends*, in the article *Industry/Occupation Outlook to 1995* Figures 1 through 8 should read "Annual Employment" instead of "Job Openings." Figures 3 and 7 were transposed and should be read accordingly.

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Income in Alaska: A Decade of Change

by Greg Williams

While Bureau of Economic Analysis (BEA) statistics offer annual trends in per capita income, the decennial census offers a more unique look at income distribution and the characteristics of the population with regard to real income.¹

Alaska ranked first with a median household income of \$25,414 in 1979. At that time the national median household income was only \$16,841. By 1989, the national median household income had risen to \$30,056, an increase of 78.5%. Meanwhile, Alaska had slipped to second place in 1989 with a median household income of \$41,408, an increase of only 62.9% over 1979. Connecticut ranked first with \$41,721. The result of the differential growth of income in the 1980s has been that while Alaskans still enjoy high incomes, the median household income has declined relative to that of the nation as a whole.

Unique gains in income

As stated above, the median household income in Alaska in 1989 was \$41,408, up from \$25,414 in 1979. (See Table 1). This is a 62.9% increase during the decade. When considered against the U.S. cost of living index, Alaskan income had a real loss of \$1,186 dollars during the decade. When measured against the cost of living in Anchorage, the median household income had a real gain of \$4,837 during the decade. Clearly, how Alaskan's income fared depends on how one measures the change in the cost of living over the decade. One could certainly argue that the cost of living in Anchorage is more representative of the real cost to Alaskans than the national cost of living. We have

clearly had unique gains this decade in real income. The elimination of the income tax, the gain of permanent fund and longevity bonuses, not to mention a host of other heavily state supported programs ranging from education to housing have contributed to Alaskan income and cost of living during this decade.

Certainly the change in cost of living in different areas of Alaska will differ substantially from that of Anchorage. This will blur analysis of the relative gain or loss of median income over the decade.

Income varies with geography

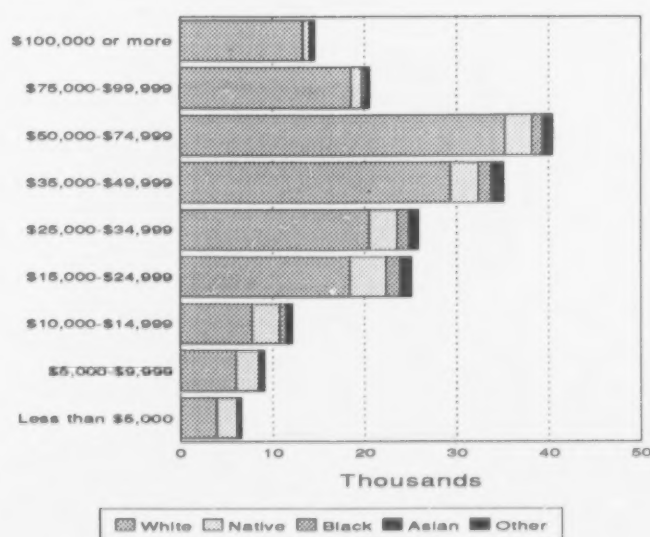
There is no true comparison available for the newly formed boroughs with their 1980 counterparts. Income comparisons for Aleutians East Borough, Aleutians West census area, Lake and Peninsula Borough and Dillingham census area are not currently possible with any accuracy.

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¹ The statistics on income are from Summary Tape File 3. Further tabulations will be available from Summary Tape File 4 in early 1993 and more detail will emerge with further study.

Figure • 1

Household Income
in Alaska by Race: 1989



Source: 1990 Census of Population and Housing, Summary Tape File 3.

Table • 1

Household Income for Alaska Boroughs and Census Areas: 1989 and 1979

	Adjusted to 1989 \$											
	Median Income		Change		with US CPI*			with Anchorage CPI			Households	
	1979	1989	1979-89	%	Median Income	Change	%	Median Income	Change	%	1980	1990
Alaska	25,414	41,408	15,994	62.9	42,594	-1,186	-2.8	36,571	4,837	13.2	132,369	189,700
Aleutian Islands Census Area	19,389	-	-	-	32,496	-	-	27,901	-	-	1,595	2,383
Aleutians East Borough	-	42,384	-	-	-	-	-	-	-	-	412	534
Aleutians West Census Area	-	35,187	-	-	-	-	-	-	-	-	1,183	1,849
Anchorage Borough	27,375	43,946	16,571	60.5	45,881	-1,935	-4.2	39,393	4,553	11.6	60,826	83,043
Bethel Census Area	13,656	25,402	11,746	86.0	22,887	2,515	11.0	19,651	5,751	29.3	2,705	3,608
Bristol Bay Borough	33,516	51,112	17,596	52.5	56,173	-5,061	-9.0	48,230	2,882	6.0	243	417
Dillingham Census Area	18,977	-	-	-	31,805	-	-	27,308	-	-	1,214	1,723
Dillingham Census Area	-	28,779	-	-	-	-	-	-	-	-	834	1,212
Lake and Peninsula Borough	-	25,231	-	-	-	-	-	-	-	-	380	511
Fairbanks North Star Borough	23,647	37,468	13,821	58.4	39,632	-2,164	-5.5	34,028	3,440	10.1	18,357	26,831
Haines Borough	20,893	36,048	15,155	72.5	35,017	1,031	2.9	30,065	5,983	19.9	579	806
Juneau Borough	30,834	47,924	17,090	55.4	51,678	-3,754	-7.3	44,370	3,554	8.0	7,076	9,958
Kenai Peninsula Borough	23,660	42,403	18,743	79.2	39,654	2,749	6.9	34,047	8,356	24.5	8,656	14,323
Ketchikan Gateway Borough	27,015	45,172	18,157	67.2	45,277	-105	-0.2	38,875	6,297	16.2	4,041	4,969
Kodiak Island Borough	26,421	44,815	18,394	69.6	44,282	533	1.2	38,020	6,795	17.9	3,033	4,108
Matanuska-Susitna Borough	23,483	40,745	17,262	73.5	39,358	1,387	3.5	33,792	6,953	20.6	5,711	13,501
Nome Census Area	14,550	30,144	15,594	107.2	24,386	5,758	23.6	20,937	9,207	44.0	1,758	2,407
North Slope Borough	31,378	50,473	19,095	60.9	52,590	-2,117	-4.0	45,153	5,320	11.8	994	1,688
Northwest Arctic Borough	17,756	33,313	15,557	87.6	29,759	3,554	11.9	25,551	7,762	30.4	1,149	1,543
Prince of Wales-Outer Ketchikan Census Area	21,947	39,495	17,548	80.0	36,783	2,712	7.4	31,582	7,913	25.1	1,132	2,068
Sitka Borough	31,133	43,337	12,204	39.2	52,179	-8,842	-16.9	44,800	-1,463	-3.3	2,467	2,933
Skagway-Yakutat-Angoon C.A.	21,396	38,583	17,187	80.3	35,860	2,723	7.6	30,789	7,794	25.3	1,102	1,413
Southeast Fairbanks Census Area	15,903	30,222	14,319	90.0	26,653	3,569	13.4	22,884	7,338	32.1	1,672	1,918
Valdez-Cordova Census Area	27,469	47,500	20,031	72.9	46,038	1,462	3.2	39,528	7,972	20.2	2,695	3,430
Wade Hampton Census Area	11,373	20,586	9,213	81.0	19,061	1,527	8.0	16,366	4,220	25.8	964	1,378
Wrangell-Petersburg C.A.	24,403	42,020	17,617	72.2	40,899	1,121	2.7	35,116	6,904	19.7	2,052	2,478
Yukon-Koyukuk Census Area	12,371	23,945	11,574	93.6	20,734	3,211	15.5	17,802	6,143	34.5	2,290	2,774

Source: 1980 and 1990 Census of Population and Housing, Summary Tape File 3.

* = Consumer Price Index

The areas of Alaska with the lowest incomes and greatest poverty are generally the areas with among the lowest labor force participation and highest unemployment. While the overall income growth for Alaskans during the last decade may be in question, some limited progress has been made in fighting poverty and improving income distribution across the state.

The highest median household incomes for boroughs and census areas in 1989 (see Tables 1 and 2) were found in Bristol Bay (\$51,112), North Slope (\$50,473), Juneau (\$47,924), Valdez-Cordova (\$47,500) and Ketchikan-Gateway (\$45,172). The lowest median household in-

comes were found in Wade Hampton (\$20,586), Yukon-Koyukuk (\$23,945), Lake & Peninsula (\$25,231), Bethel (\$25,402) and Dillingham (\$28,779).

In 1979, the areas with the highest median incomes were found in the following boroughs and census areas: Bristol Bay (\$33,516), North Slope (\$31,378), Juneau (\$30,834), Sitka (\$31,133) and Valdez-Cordova (\$27,469). The lowest household incomes in 1979 were found in: Wade Hampton (\$11,373), Yukon-Koyukuk (\$12,371), Bethel (\$13,656), Nome (\$14,550), and Southeast Fairbanks (\$15,903). In general, the areas of the highest and lowest income have remained relatively the

same over the decade. The areas of low income also tend to have the lowest of labor force participation and the highest levels of unemployment.

The greatest increase in median household income among boroughs and census areas during the decade has come in Nome +107.2%, Yukon-Koyukuk +93.6%, Southeast Fairbanks +90.0%, Northwest Arctic +87.6%, and Bethel +86.0%. The Aleutians also gained somewhere between 81% and 119%. The least growth in median household income was found in Sitka +39.2%, Bristol Bay +52.5%, Juneau +55.4%, Fairbanks North Star +58.5%, and Anchorage +60.5%. Lake & Peninsula and Dillingham also grew very slowly (about 33-51%). In general, the slowest relative growth in income occurred in the largest urban areas of the state and the largest relative growth in some of the more rural areas of the state.

Household composition changes

It is important to briefly consider changes in the composition of the households earning incomes. In 1990, census sample data indicated that Alaska had 189,700 households. (See Table 7.) Of these, 71.1% contained families composed of two or more individuals related by blood, marriage or adoption. Married couple families made up 57.5% of all households; 13.6% of the households were made up of single parent families; 9.3% had female heads and 4.3% had male heads. The remaining 28.9% of the households were nonfamily households composed of unrelated individuals. Of these, 21.9% are persons who live alone and 7.0% are composed of two or more unrelated individuals.

Over the decade, the Alaska household changed by the following percentage points: family households -2.1; married couple families -4.5, single parent families +2.5, female headed +1.7, male headed +0.8, nonfamily households +2.1, living alone +2.0, householder not living alone +0.1. All of the household composition changes over the last decade act structurally to reduce household income, since households headed by single parents and persons in nonfamily households tend to have lower income and higher levels of poverty.

In terms of racial composition in 1990, 80.8% of Alaska households were occupied by Whites, 11.8% by Native Americans, and the remaining were occupied by Black 3.7%; Asian and Pacific Islanders 2.6% and other races 1.1%. (See Table 3, Figures 1 and 2.) The category of other races represents a failure of individuals to select one of the four race groups, which should account for 100%.

During the decade the change in household racial composition was the following percentage points: White

Median Income and Labor Force Characteristics

Income in 1989	Median Income 1989	Labor Force Participation Rate ¹ 1990	Civilian Unem- ployed Rate 1990	Median Income 1979	Labor Force Participation Rate ¹ 1980	Civilian Unem- ployed Rate 1980
Alaska	41,408	74.7	8.8	25,414	71.5	9.7
Aleutian Islands Census Area	-	-	-	19,389	79.4	6.6
Aleutians East Borough	42,384	73.7	1.4	-	-	-
Aleutians West C.A.	35,187	91.5	3.3	-	-	-
Anchorage Borough	43,946	78.4	7.0	27,375	75.9	8.3
Bethel Census Area	25,402	54.9	13.1	13,656	49.5	11.5
Bristol Bay Borough	51,112	76.4	6.9	33,516	75.4	13.0
Dillingham Census Area	-	-	-	18,977	51.5	17.0
Dillingham Census Area	28,779	53.2	10.6	-	-	-
Lake and Peninsula Bor.	25,231	49.1	15.1	-	-	-
Fairbanks North Star Bor.	37,468	77.1	10.2	23,647	73.6	11.6
Haines Borough	36,048	70.2	7.8	20,893	65.2	7.7
Juneau Borough	47,924	78.7	4.8	30,834	78.9	6.9
Kenai Peninsula Borough	42,403	66.9	10.3	23,660	63.5	13.5
Ketchikan Gateway Bor.	45,172	76.2	7.2	27,015	71.5	5.0
Kodiak Island Borough	44,815	79.8	5.3	26,421	52.0	21.8
Matanuska-Susitna Bor.	40,745	66.5	11.6	23,483	74.5	7.3
Nome Census Area	30,144	61.0	16.5	14,550	62.6	14.2
North Slope Borough	50,473	76.5	14.7	31,378	52.6	17.3
Northwest Arctic Bor.	33,313	57.9	20.3	17,756	69.5	7.5
Prince of Wales-						
Outer Ketchikan C.A.	39,495	69.9	14.9	21,947	66.2	7.7
Sitka Borough	43,337	78.3	6.7	31,133	74.5	6.6
Skagway-Yakutat-Angoon						
Census Area	38,583	76.5	13.1	21,396	64.5	16.7
Southeast Fairbanks C.A.	30,222	69.6	15.7	15,903	70.8	19.3
Valdez-Cordova C.A.	47,500	74.0	10.3	27,469	68.8	8.4
Wade Hampton C.A.	20,586	55.7	28.9	11,373	46.0	22.4
Wrangell-Petersburg C.A.	42,020	72.3	6.8	24,403	69.9	9.1
Yukon-Koyukuk C.A.	23,945	62.7	21.4	12,371	54.9	15.5

-2.1, Native American +0.1, Black +0.4, Asian and Pacific Islander +1.1, other races +0.5. Structurally the changing racial composition of households in the state may also have had a depressing effect on median income since non-White income on average is lower than White income.

Racial gaps in per capita income

According to the 1990 census, the per capita income for Alaska in 1989 was \$17,610. There was substantial differential by race (see Table 4). Per capita for Whites was \$19,903, Asian and Pacific Islanders \$13,113, Blacks \$12,816 and Native Americans \$9,140. In 1980, per capita income was \$10,193. Per capita for Whites

¹ Labor force as a percent of the population that is 16 years or older.

Source: 1980 and 1990 Census of Population and Housing, Summary Tape File 3.

Table • 3

Household Income in Alaska by Race: 1989

	Total	White	Black	Native American	Asian & Pacific Islanders	Other Races
	189,700	153,372	7,099	22,325	4,900	2,004
Under \$5,000	6,631	3,954	268	2,149	169	91
\$5,000-\$9,999	9,152	6,067	323	2,457	203	102
\$10,000-\$14,999	12,128	7,839	660	2,963	443	223
\$15,000-\$24,999	25,139	18,451	1,504	3,899	901	384
\$25,000-\$34,999	25,873	20,549	1,229	3,027	730	338
\$35,000-\$49,999	35,122	29,315	1,412	3,077	926	392
\$50,000-\$74,999	40,419	35,264	1,080	2,931	853	291
\$75,000-\$99,999	20,626	18,589	376	1,139	415	107
\$100,000 or more	14,610	13,344	247	683	260	76
Percent Distribution						
Under \$5,000	3.5	2.6	3.8	9.6	3.4	4.5
\$5,000-\$9,999	4.8	4.0	4.5	11.0	4.1	5.1
\$10,000-\$14,999	6.4	5.1	9.3	13.3	9.0	11.1
\$15,000-\$24,999	13.3	12.0	21.2	17.5	18.4	19.2
\$25,000-\$34,999	13.6	13.4	17.3	13.6	14.9	16.9
\$35,000-\$49,999	18.5	19.1	19.9	13.8	18.9	19.6
\$50,000-\$74,999	21.3	23.0	15.2	13.1	17.4	14.5
\$75,000-\$99,999	10.9	12.1	5.3	5.1	8.5	5.3
\$100,000 or more	7.7	8.7	3.5	3.1	5.3	3.8

Sources: 1990 Census of Population and Housing, Summary Tape File 3.

was \$11,405, Asian and Pacific Islanders \$8,490, Blacks \$8,401, and Native Americans \$5,103.

Alaska does not lend itself to easy generalizations about the geographic distribution of per capita income by race. In general, one can note the high per capita income for Natives in fishing areas such as Bristol Bay. Very low per capita income among rural native households reflect very large household size.

During the ten year period, statewide per capita income increased \$7,417 or 72.8%. White per capita income increased \$8,498 or 74.5%; Asian and Pacific Islander \$4,623 or 54.5%; Black \$4,415 or 52.6% and Native American \$4,037 or 79.1%. This meant that during the decade Native American income increased faster than any other racial group; but it still remains the lowest of all racial groups in Alaska. In 1990, Native American

per capita income was only 45.9% that of Whites, while Asian income was 65.9% and Black income was 64.4% of White income respectively.

Aggregate Income

Total aggregate household income in 1989 earned by Alaskans consisted of \$9,406,638,345 (see Table 5). Wage and salary income made up 78.6%.

Since public assistance (welfare) is frequently the focus of public attention, it seems important to emphasize that in Alaska 15,043 (0.8%) households had some earnings from public assistance with an average household receiving \$4,934 from this source in 1989.

Poverty status relative

The definition of poverty status is based on the cost of food to families of different sizes on a nationwide basis. No adjustment was made in census poverty statistics for the higher

cost of living in Alaska. Since the statewide cost of food is approximately 25% above the national average, statistics for 125% of the national poverty level is defined as poverty level in Alaska comparable to the national statistics for 100% of the poverty level. Unfortunately almost no data from the 1990 census on poverty is reported for 125% of poverty.

As with adjustments for cost of living, there are very substantial differences in cost of living among census areas within Alaska. It is probable that the proportion of persons in poverty may be slightly less for Anchorage where the cost of food is closer to the national average and substantially higher than reported for the most remote and least accessible census area. Further, the definition of poverty is difficult to apply in areas where a majority of persons engage in subsistence activities which result in a larger share of food being obtained

Table • 4

Per Capita Income by Race for Census Areas in Alaska: 1989

from the land. At best, the statistics on poverty for Alaska should be viewed with caution and only as indicators of the general relative poverty status of the citizens of the state.

The census reports 47,906 people (or 9.0% of the state's population) are considered to be living in poverty (see Table 6). At 125% of the poverty line, that number increases to 66,558 or 12.5% of the state's population.

While only 10.1% of the population of Anchorage was in poverty, they accounted for 33.5% of all persons in poverty in Alaska. The majority of the predominantly Native rural areas of the state continued to have over 20% of their population in poverty. The highest were: Wade Hampton 42.6%, Bethel 37.7%, Yukon-Koyukuk 32.6%. Most of these had the highest poverty in 1979. Not surprisingly, these areas also ranked among the lowest in per capita income (see Table 4). The greatest decreases in poverty during the last decade has occurred in the following rural boroughs and census areas: Northwest Arctic, Southeast Fairbanks, Skagway-Yakutat-Angoon, Wade Hampton, Kodiak Island, Nome, Yukon-Koyukuk, and Kenai Peninsula.

The census areas with the lowest poverty levels in 1989 were: Bristol Bay 6.3%, Ketchikan Gateway 6.6% and Sitka 7.2%. These remain among the areas with the lowest poverty in 1979. Only Juneau, Dillingham and Bristol Bay appear to have had an increase in poverty during the decade. The largest increased occurred in Juneau (+1.6 percentage points).

On the other hand, poverty appears to have increased during the decade in the Juneau Borough by 1.6 points, the Dillingham census area by 1.2 points and in the Bristol Bay Borough by 0.3 of a point.

	(\$) Total	White	Black	Native American	Asian & Pacific Islanders	Other
Alaska	17,610	19,903	12,816	9,140	13,113	12,601
Aleutians East Borough	17,242	19,552	11,000	17,108	15,040	10,661
Aleutians West Census Area	15,035	16,545	9,973	11,467	14,712	9,782
Anchorage Borough	19,620	21,277	13,649	10,760	13,604	13,713
Bethel Census Area	8,833	24,260	10,377	5,842	11,644	18,484
Bristol Bay Borough	19,123	22,065	25,451	13,080	21,661	12,060
Dillingham Census Area	12,782	24,408	8,873	8,656	7,719	31,577
Fairbanks North Star Borough	15,914	17,145	11,018	9,093	11,062	9,773
Haines Borough	16,204	16,260	20,873	16,618	16,541	8,266
Juneau Borough	19,920	21,937	14,034	10,530	12,850	13,356
Kenai Peninsula Borough	18,173	18,805	7,499	11,919	11,819	7,831
Ketchikan Gateway Borough	18,789	20,414	13,676	11,289	11,462	10,731
Kodiak Island Borough	19,979	23,564	16,173	12,237	11,058	9,484
Lake and Peninsula Borough	11,560	18,911	0	9,292	5,973	30,150
Matanuska-Susitna Borough	15,898	16,382	13,079	9,199	7,597	10,287
Nome Census Area	10,701	23,538	27,873	6,373	3,355	23,280
North Slope Borough	18,231	38,503	31,174	12,120	19,972	25,413
Northwest Arctic Borough	10,040	26,113	20,827	7,236	42,812	0
Prince of Wales-Outer Ketchikan C.A.	15,510	17,710	11,603	11,942	17,353	12,145
Sitka Borough	16,962	18,461	20,326	11,950	14,467	24,639
Skagway-Yakutat-Angoon C.A.	15,463	18,403	1,855	10,960	17,749	6,653
Southeast Fairbanks Census Area	12,505	13,803	8,578	7,326	6,617	7,855
Valdez-Cordova Census Area	22,772	24,443	12,715	14,789	12,793	17,363
Wade Hampton Census Area	6,519	27,646	16,977	5,059	10,608	32,820
Wrangell-Petersburg Census Area	19,012	20,313	13,126	13,848	24,935	10,205
Yukon-Koyukuk Census Area	11,554	18,886	14,020	6,022	9,327	9,818

Unfortunately, none of the data on characteristics of poverty are adjusted to the 125% level for Alaska. The reader should be aware that the relationships observed here for households in poverty are based on the 100% national poverty level and that the actual levels will probably be on the order of 3.5% higher than what is reported (see Table 6).

In general, persons under 25 and over 75 tend to have higher levels of poverty. The age groups with the highest levels of poverty are found among persons 18-24 and children under 5 in families (see Table 7 and 8).

When considering household composition, the lowest levels of poverty are found among married couple families where only 3.7% of Alaska married couple households live in poverty. The highest levels are found

Source: 1990 Census of
Population and Housing,
Summary Tape File 3.

Table • 5

Aggregate and Mean Income by Type In 1989

^{1/} Other income includes: unemployment insurance, alimony and child support, contributions from persons not in the household, military family allocations, net gambling winnings and other periodic contributions.

Source: 1990 Census of Population and Housing, Summary Tape File 3.

	Aggregate Income 1989 (\$)	% Distri- bution	House- holds with Earnings by Type	Mean Income (\$)
Total	\$9,406,638,345		175,159	53,703
Wage and Salary Income	7,392,889,004	78.6	168,853	43,783
Nonfarm Self-employment Income	812,762,147	8.6	35,475	22,911
Farm Self-employment Income	13,453,664	0.1	2,454	5,482
Interest, Dividend, Net Rental Income	552,169,019	5.9	148,874	3,709
Social Security Income	146,883,585	1.6	20,371	7,210
Public Assistance Income	74,217,396	0.8	15,043	4,934
Retirement and Disability Income	307,064,125	3.3	24,232	12,672
Other Income ^{1/}	107,199,405	1.1	30,439	3,522

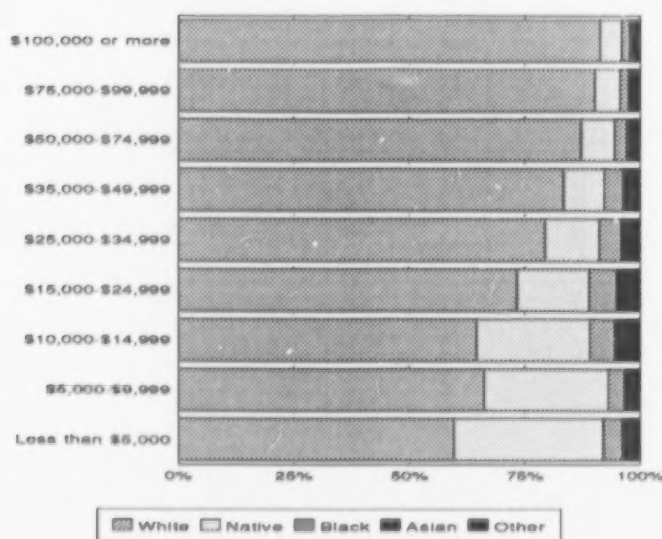
among single-parent families with 24.1% of female-headed households in poverty. Male-headed single-parent families have 11.6% in poverty. Nonfamily households also have higher levels of poverty with 10.8% in poverty. Of these households, those containing single individuals have 11.1% in poverty. Households containing two or more unrelated persons had 10.1% in poverty.

In general, poverty among the elderly does not significantly increase until over age 75. Among those over 75, 12.3% were in poverty. Among those over 75 living alone or heading single-parent households, poverty increases to over 14%.

Figure • 2

1989 Percent Distribution of Household Income in Alaska

Source: 1990 Census of Population and Housing, Summary Tape File 3.



While the overall 100% poverty level in Alaska was 9.0% in 1989, there was substantial variation by race. (See Table 8.)

Among Native Americans, 14.6% of the married couple families were in poverty. Among Native American female-headed families with children under 5, 46.9% were in poverty.

As noted above, female-headed households account for the largest single category of persons in poverty. The percent of female-headed households below the 100% poverty line for Native households was 45%, for Whites 47% and for Blacks 54%. Only Asian households are different in this regard with female-headed households

Persons in Poverty for Alaska Census Areas: 1979-89

	Total	Below 100% of Poverty 1989	% of Total	Below 125% of Poverty 1989	% of Total	Below 125% of Poverty 1979	% of Total	Change in Poverty 1979-89	% Point Change
Alaska	532,474	47,906	9.0	66,558	12.5	55,909	14.4	10,649	-1.9
Aleutian Islands Census Area	9,852	954	9.7	1,448	14.7	928	15.7	520	-1.0
Aleutians East Borough	2,459	292	11.9	446	18.1	-	-	-	-
Aleutians West Census Area	7,393	662	9.0	1,002	13.6	-	-	-	-
Anchorage Borough	220,789	15,614	7.1	22,306	10.1	17,250	10.2	5,056	-0.1
Bethel Census Area	13,396	4,022	30.0	5,053	37.7	4,326	39.9	727	-2.2
Bristol Bay Borough	1,146	59	5.1	72	6.3	45	6.0	27	0.3
Dillingham Census Area	5,655	1,314	23.2	1,705	30.2	1,334	29.0	-1,334	1.2
Dillingham Census Area	4,005	984	24.6	1,239	30.9	-	-	-	-
Lake and Peninsula Borough	1,650	330	20.0	466	28.2	-	-	-	-
Fairbanks North Star Borough	73,506	5,574	7.6	8,446	11.5	6,934	13.7	1,512	-2.2
Haines Borough	2,041	187	9.2	260	12.7	291	17.4	-31	-4.7
Juneau Borough	26,247	1,468	5.6	1,962	7.5	1,135	5.9	827	1.6
Kenai Peninsula Borough	39,725	3,076	7.7	4,089	10.3	4,084	16.3	5	-6.0
Ketchikan Gateway Borough	13,485	566	4.2	888	6.6	966	8.8	-78	-2.2
Kodiak Island Borough	12,753	703	5.5	1,059	8.3	1,634	14.6	-575	-6.3
Matanuska-Susitna Borough	38,996	3,661	9.4	5,157	13.2	1,380	15.5	3,777	-2.3
Nome Census Area	8,083	1,809	22.4	2,416	29.9	2,719	36.1	-303	-6.2
North Slope Borough	5,843	506	8.7	591	10.1	2,335	13.7	-1,744	-3.6
Northwest Arctic Borough	6,038	1,115	18.5	1,378	22.8	546	34.2	832	-11.4
Prince of Wales-Outer Ketchikan C.A.	6,246	570	9.1	788	12.6	529	13.9	259	-1.3
Sitka Borough	8,256	398	4.8	596	7.2	531	7.2	65	0.0
Skagway-Yakutat-Angoon Census Area	4,374	390	8.9	576	13.2	689	20.1	-113	-6.9
Southeast Fairbanks Census Area	5,689	807	14.2	991	17.4	1,389	26.4	-398	-9.0
Valdez-Cordova Census Area	9,700	865	8.9	1,147	11.8	1,260	15.6	-113	-3.8
Wade Hampton Census Area	5,787	1,794	31.0	2,467	42.6	2,267	49.0	200	-6.4
Wrangell-Petersburg Census Area	6,962	395	5.7	586	8.4	536	8.8	50	-0.4
Yukon-Koyukuk Census Area	7,905	2,059	26.0	2,577	32.6	2,801	38.7	-224	-6.1

accounting for only 24% of all households in poverty. This may result from a greater tendency of Asian families to be intact or part of extended family households.

In general, poverty has decreased somewhat in Alaska since 1979; 6.8% of all families were in poverty in 1989, compared to 8.6% in 1979. Poverty among families in 1989 was: White 4.5%, Asian 6.0%, Black 8.8%, Native 21.5%. Poverty among families in 1979 was as follows: White 6.0%, Asian 6.6%, Black 9.2%, and Native 25.3%. While the greatest percent decline in poverty came among Native Americans, there is a long way to go before any degree of equality of income can be achieved.

Conclusions

While any relative improvement in Alaskans' income during the last decade is in question, some progress has been made in fighting poverty and improving the geographic distribution of income across the state. More improvement might have occurred if changing household composition had not had a depressing effect on household income. Improved household income for Native households, in particular, continues to be offset by large household size. While progress has been made towards greater income equality, the household income of Native Americans clearly remains the lowest of all racial groups in the state.

Source: 1980 and 1990 Census of Population and Housing, Summary Tape File 3.

Table • 7

Poverty Status by Age of Householder by Household Type in Alaska: 1989

	Total Householders							
	15+ Years	% of Total	15-64 Years	% of Total	65-74 Years	% of Total	75+ Years	% of Total
Total Households	189,700	100.0	175,619	92.6	10,021	5.3	4,060	2.1
Married Couple Families	109,100	57.5	102,730	94.2	4,974	4.6	1,396	1.3
Other Families	25,706	13.6	24,136	93.9	1,040	4.0	530	2.1
Male Householder	8,141	4.3	7,707	94.7	284	3.5	150	1.8
Female Householder	17,565	9.3	16,429	93.5	756	4.3	380	2.2
	Below Poverty							
	15+ Years	% of Total	15-64 Years	% of Total	65-74 Years	% of Total	75+ Years	% of Total
Total Households	15,140	100.0	13,897	91.8	742	4.9	501	3.3
Married Couple Families	4,018	26.5	3,724	92.7	190	4.7	104	2.6
Other Families	5,180	34.2	4,977	96.1	127	2.5	76	1.5
Male Householder	942	6.2	875	92.9	44	4.7	23	2.4
Female Householder	4,238	28.0	4,102	96.8	83	2.0	53	1.3
Nonfamily Households	5,942	39.2	5,196	87.4	425	7.2	321	5.4
Householder Alone	4,587	30.3	3,870	84.4	410	8.9	307	6.7
Householder Not Alone	1,355	8.9	1,326	97.9	15	1.1	14	1.0
	% Below Poverty							
	15+ Years		15-64 Years		65-74 Years		75+ Years	
Total Households	8.0		7.9		7.4		12.3	
Married Couple Families	3.7		3.6		3.8		7.4	
Other Families	20.2		20.6		12.2		14.3	
Male Householder	11.6		11.4		15.5		15.3	
Female Householder	24.1		25.0		11.0		13.9	
Nonfamily Households	10.8		10.7		10.6		15.0	
Householder Alone	11.1		10.8		10.8		15.2	
Householder Not Alone	10.1		10.2		6.8		11.7	

Definitions

Income is defined slightly differently by the census and BEA. The census definition of "total income" is the sum of wage and salary income; non-farm self-employment income; farm self-employment income; interest, dividend or net rental income, social security income, public assistance income, retirement or disability income; and all other income which includes unemployment insurance, Veterans Administration payments, alimony and child support, contributions received periodically from persons not living in the household, military family allotments, net gambling winnings, and other kinds of periodic income other than earnings. Not included are: money received from the sale of property; value of income "in kind" from food stamps, public housing subsidies, medical care, employer contributions for persons, etc; withdrawal of bank deposits; money borrowed; tax refunds; exchange of money between relatives living in the same household; gifts and lump-sum inheritances, insurance payments, and other types of lump-sum receipts.

Mean household income is the "average income;" it is the total income divided by the total number of people earning income.

Median household income is the "middle case;" 50% of households have income above or below this income.

Families in Poverty by Race and Age of Children in Alaska: 1989

	Number of Families						Families with Income Below Poverty					
	Total	White	Black	Native Amer.	Asian/Pac. Is.	Other	Total	White	Black	Native Amer.	Asian/Pac. Is.	Other
Total Families	134,806	107,661	5,418	16,505	3,805	1,417	9,198	4,848	478	3,545	228	99
Married Couple Families	109,100	91,277	3,956	9,767	2,976	1,124	4,018	2,270	130	1,428	158	32
With Children Under 18	66,917	53,956	2,681	7,325	2,130	825	3,127	1,576	128	1,265	134	24
Under 5	15,866	13,076	701	1,308	529	252	713	395	19	249	30	20
5 to 17	33,677	27,976	1,174	3,131	1,036	360	960	536	40	333	51	0
Under 5 & 5-17	17,374	12,904	806	2,886	565	213	1,454	645	69	683	53	4
No Related Children Under 18	42,183	37,321	1,275	2,442	846	299	891	694	2	163	24	8
Other Families	25,706	16,384	1,462	6,738	829	293	5,180	2,578	348	2,117	70	67
Male Householder, No Wife Present	8,141	5,366	342	2,061	271	101	942	311	89	521	15	6
With Children Under 18	5,370	3,514	268	1,375	155	58	758	234	81	434	3	6
Under 5	1,623	1,006	88	460	59	10	281	84	37	154	0	6
5 to 17	2,955	2,131	136	576	69	43	238	87	21	130	0	0
Under 5 & 5-17	792	377	44	339	27	5	239	63	23	150	3	0
No Related Children Under 18	2,771	1,852	74	686	116	43	184	77	8	87	12	0
Female Householder, No Husband Present	17,565	11,018	1,120	4,677	558	192	4,238	2,267	259	1,596	55	61
With Children Under 18	14,441	9,007	1,004	3,830	429	171	4,050	2,204	243	1,489	55	59
Under 5	3,310	1,975	232	939	101	63	1,182	616	73	440	27	26
5 to 17	8,294	5,560	570	1,824	278	62	1,653	950	89	584	17	13
Under 5 & 5-17	2,837	1,472	202	1,067	50	46	1,215	638	81	465	11	20
No Related Children Under 18	3,124	2,011	116	847	129	21	188	63	16	107	0	2

	Percent Distribution of Poverty by Family Type						Percent of Families in Poverty					
	Total	White	Black	Native Amer.	Asian/Pac. Is.	Other	Total	White	Black	Native Amer.	Asian/Pac. Is.	Other
Total Families	100.0	100.0	100.0	100.0	100.0	100.0	6.8	4.5	8.8	21.5	6.0	7.0
Married Couple Families	43.7	46.8	27.2	40.3	69.3	32.3	3.7	2.5	3.3	14.6	5.3	2.8
With Children Under 18	34.0	32.5	26.8	35.7	58.8	24.2	4.7	2.9	4.8	17.3	6.3	2.9
Under 5	7.8	8.1	4.0	7.0	13.2	20.2	4.5	3.0	2.7	19.0	5.7	7.9
5 to 17	10.4	11.1	8.4	9.4	22.4	0.0	2.9	1.9	3.4	10.6	4.9	0.0
Under 5 & 5-17	15.8	13.3	14.4	19.3	23.2	4.0	8.4	5.0	8.6	23.7	9.4	1.9
No Related Children Under 18	9.7	14.3	0.4	4.6	10.5	8.1	2.1	1.9	0.2	6.7	2.8	2.7
Other Families	56.3	53.2	72.8	59.7	30.7	67.7	20.2	15.7	23.8	31.4	8.4	22.9
Male Householder, No Wife Present	10.2	6.4	18.6	14.7	6.6	6.1	11.6	5.8	26.0	25.3	5.5	5.9
With Children Under 18	8.2	4.8	16.9	12.2	1.3	6.1	14.1	6.7	30.2	31.6	1.9	10.3
Under 5	3.1	1.7	7.7	4.3	0.0	6.1	17.3	8.3	42.0	33.5	0.0	60.0
5 to 17	2.6	1.8	4.4	3.7	0.0	0.0	8.1	4.1	15.4	22.6	0.0	0.0
Under 5 & 5-17	2.6	1.3	4.8	4.2	1.3	0.0	30.2	16.7	52.3	44.2	11.1	0.0
No Related Children Under 18	2.0	1.6	1.7	2.5	5.3	0.0	6.6	4.2	10.8	12.7	10.3	0.0
Female Householder, No Husband Present	46.1	46.8	54.2	45.0	24.1	61.6	24.1	20.6	23.1	34.1	9.9	31.8
With Children Under 18	44.0	45.5	50.8	42.0	24.1	59.6	28.0	24.5	24.2	38.9	12.8	34.5
Under 5	12.9	12.7	15.3	12.4	11.8	26.3	35.7	31.2	31.5	46.9	26.7	41.3
5 to 17	18.0	19.6	18.6	16.5	7.5	13.1	19.9	17.1	15.6	32.0	6.1	21.0
Under 5 & 5-17	13.2	13.2	16.9	13.1	4.8	20.2	42.8	43.3	40.1	43.6	22.0	43.5
No Related Children Under 18	2.0	1.3	3.3	3.0	0.0	2.0	6.0	3.1	13.8	12.6	0.0	9.5
Under 5	12.9	35.7	12.7	31.2	15.3	31.5	12.4	46.9	11.8	26.7	26.3	41.3
5 to 17	18.0	19.9	19.6	17.1	18.6	15.6	16.5	32.0	7.5	6.1	13.1	21.0
Under 5 & 5-17	13.2	42.8	13.2	43.3	16.9	40.1	13.1	43.6	4.8	22.0	20.2	43.5
No Related Children Under 18	2.0	6.0	1.3	3.1	3.3	13.8	3.0	12.6	0.0	0.0	2.0	9.5

Source: 1990 Census of Population and Housing, Summary Tape File 3.

Alaska's Employment Still Growing

By Neal Fried

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In spite of the litany of bad economic news during the past six months, Alaska's economy is still managing to grow. For the first four months of the year employment in the state registered 2.2% higher than the equivalent time last year. Put another way, 5,000 more jobs exist in today's economy compared to the first four months of 1991. Given historical rates of employment growth, one could characterize the current growth rate as tepid. It does, however, outshine the recessionary years of 1986-1988 and is similar to the state's employment growth rate in 1984-85.

Oil and timber industries down

The oil and timber industries' employment levels are the only negatives on Alaska's economic ledger. (See Table 1.) The poor showing in the state's oil industry is not surprising given that three of the state's four largest oil industry employers recently announced they would be downsizing. Thus far, however, smaller oil field service

companies have taken the brunt of the losses. This is why oil patch employment is expected to continue to decline; especially as the consolidation efforts of the larger players kick in. Only a strong increase in oil prices or a major new find could turn this trend around.

In spite of the overall bleak oil industry picture, there was some recent good news. Petro Star broke ground in April for their \$30 million refinery in Valdez—a value-added spinoff from the oil industry. They expect to employ 25 workers at the new refinery. Also, the three largest producers on the North Slope agreed on a plan to develop Point McIntyre, a field with 300 million barrels of recoverable oil which was discovered in 1988. Its development will create 800 temporary jobs and \$1.3 billion in state revenues; production will begin in late 1993.

Alaska's other industry in the loser category is timber. Mill closures, litigation and the dwindling availability of

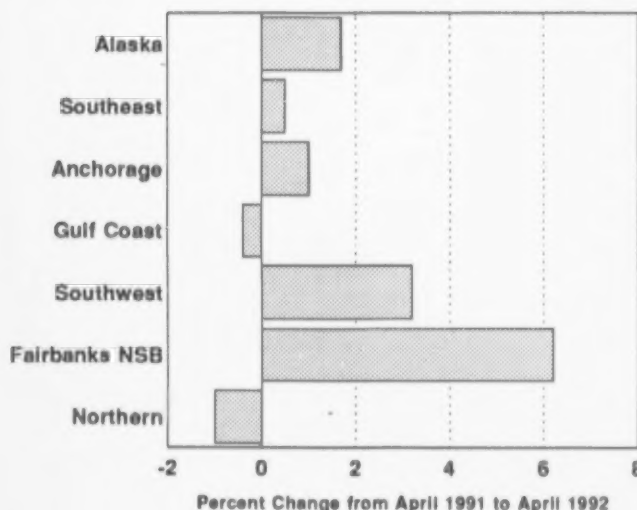
private timber are keeping employment levels depressed in this industry. Seasonally, the industry enjoyed a sizeable increase in jobs this April. The industry's fortunes may improve in the near future as timber prices and other wood product prices firm up.

Several sectors keep numbers growing

Seafood processors added 1,000 jobs to their payroll from March to April; more importantly, there were 400 more jobs this April than last. From a seasonal standpoint the herring and herring roe harvest boosted April's job count. From an over-the-year perspective bottomfishing activity is keeping the processing numbers in the black. A larger bottomfish harvest is not what is keeping

Figure • 1

Most Regions Showed Job Growth In April



Source: Alaska Department of Labor, Research and Analysis Section.

Table • 1

Nonagricultural Wage and Salary Employment by Place of Work — Alaska & Municipality of Anchorage

Alaska

Changes from:

	<i>p/</i> 4/92	<i>r/</i> 3/92	4/91	3/92	4/91
Total Nonag. Wage & Salary	240,400	235,700	236,400	4,700	4,000
Goods-producing	37,300	35,100	38,400	2,200	-1,100
Mining	10,800	10,600	12,000	200	-1,200
Construction	8,600	8,100	8,600	500	0
Manufacturing	17,900	16,400	17,800	1,500	100
Durable Goods	3,100	2,700	3,400	400	-300
Lumber & Wood Products	2,300	2,000	2,700	300	-400
Nondurable Goods	14,800	13,700	14,400	1,100	400
Seafood Processing	10,900	9,800	10,500	1,100	400
Pulp Mills	900	900	900	0	0
Service-producing	203,100	200,600	198,000	2,500	5,100
Transportation	21,100	20,800	20,400	300	700
Trucking & Warehousing	2,700	2,700	2,600	0	100
Water Transportation	1,200	1,200	1,500	0	-300
Air Transportation	6,900	6,700	6,500	200	400
Communications	3,500	3,500	3,400	0	100
Trade	46,000	44,800	44,800	1,200	1,200
Wholesale Trade	7,700	7,600	7,600	100	100
Retail Trade	38,300	37,200	37,200	1,100	1,100
Gen. Merch. & Apparel	6,200	6,200	5,500	0	700
Food Stores	7,100	6,900	6,600	200	500
Eating & Drinking Places	13,100	12,400	12,900	700	200
Finance-Ins. & Real Estate	10,700	10,600	10,400	100	300
Services & Misc.	50,600	50,100	50,200	500	400
Hotels & Lodging Places	4,700	4,500	4,600	200	100
Health Services	11,300	11,300	11,000	0	300
Government	74,700	74,300	72,200	400	2,500
Federal	18,900	18,500	18,300	400	600
State	22,500	22,600	21,900	-100	600
Local	33,300	33,200	32,000	100	1,300

Notes: Prepared in cooperation with the U.S. Bureau of Labor Statistics.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear here are definitionally different from those that appear in the Labor Force table.

Benchmark: March 1991
p/ denotes preliminary estimates
r/ denotes revised estimates

Source: Alaska Department of Labor, Research & Analysis Section.

the numbers growing; it is the additional shore-based capacity. Most of these gains are in the Southwest region—specifically Dutch Harbor. In fact, processing employment in Dutch Harbor exceeded Kodiak's for the first time during select months last year. In 1991 more fish were landed at Dutch Harbor than any other port in the U.S..

Air transportation can brag about 400 more jobs this year. Two sources of growth are responsible for these increases. One is increased competition. Mark Air and Alaska Airlines entered new markets. As a result they both increased the size of their work force. This growth may not be sustainable in light of the fact that many air carriers in Alaska are now operating in the red. Mark Air announced they would be pulling out of the Southeast markets they recently entered.

The other part of air transportation's equation is the steady growth in the international air cargo business. Federal Express' employment continues to expand gradually as Pacific Rim trade grows. More Federal Express pilots are moving into Anchorage. Both Federal Express and Alaska Airlines plan to expand their facilities next year, to the tune of \$60 million.

Retail trade is another industry which is propping up the state's employment numbers with job growth of 1,100 both over-the-month and over-the-year. The massive new entry of

Municipality of Anchorage

	<i>p/</i> 4/92	<i>r/</i> 3/92	4/91	3/92	4/91
Total Nonag. Wage & Salary	110,700	110,100	109,600	600	1,100
Goods-producing	10,500	10,300	11,100	200	-600
Mining	3,500	3,500	4,000	0	-500
Construction	4,600	4,500	4,700	100	-100
Manufacturing	2,400	2,300	2,400	100	0
Service-producing	100,200	99,800	98,500	400	1,700
Transportation	11,500	11,500	11,100	0	400
Communications	2,100	2,200	2,100	-100	0
Trade	25,100	24,700	25,300	400	-200
Wholesale Trade	5,600	5,700	5,600	-100	0
Retail Trade	19,500	19,000	19,700	500	-200
Food Stores	3,300	3,300	3,200	0	100
Finance-Ins. & Real Estate	6,700	6,700	6,600	0	100
Services & Misc.	28,700	28,800	28,300	-100	400
Hotels & Lodging Places	2,300	2,200	2,300	100	0
Health Services	6,000	6,000	5,900	0	100
Government	28,200	28,100	27,200	100	1,000
Federal	10,700	10,600	10,300	100	400
State	8,300	8,300	8,200	0	100
Local	9,200	9,200	8,700	0	500

Table • 2

Nonagricultural Wage and Salary Employment By Place of Work

Southeast Region

	p/ 4/92	r/ 3/92	Changes from:		
			4/91	3/92	4/91
Total Nonag. Wage & Salary	32,700	31,550	32,550	1,150	150
Goods-producing	5,400	4,950	5,650	450	-250
Mining	350	350	350	0	0
Construction	1,100	950	1,100	150	0
Manufacturing	3,950	3,650	4,200	300	-250
Durable Goods	1,900	1,700	2,250	200	-350
Lumber & Woods Products	1,850	1,600	2,150	250	-300
Nondurable Goods	2,050	1,950	1,950	100	100
Seafood Processing	1,000	850	850	150	150
Pulp Mills	900	900	900	0	0
Service-producing	27,300	26,600	26,900	700	400
Transportation	2,500	2,300	2,500	200	0
Trade	5,500	5,350	5,300	150	200
Wholesale Trade	550	550	550	0	0
Retail Trade	4,950	4,800	4,750	150	200
Finance-Ins. & Real Estate	1,100	1,100	1,100	0	0
Services & Misc.	5,450	5,350	5,400	100	50
Government	12,750	12,500	12,600	250	150
Federal	2,000	1,900	1,950	100	50
State	5,550	5,500	5,650	50	-100
Local	5,200	5,100	5,000	100	200

Fairbanks North Star Borough

	p/ 4/92	r/ 3/92	Changes from:		
			4/91	3/92	4/91
Total Nonag. Wage & Salary	28,050	27,750	26,400	300	1,650
Goods-producing	1,850	1,700	1,700	150	150
Mining	200	200	200	0	0
Construction	1,050	950	950	100	100
Manufacturing	600	550	550	50	50
Service-producing	26,200	26,050	24,700	150	1,500
Transportation	1,950	2,000	1,800	-50	150
Trucking & Warehousing	450	400	400	50	50
Air Transportation	500	500	450	0	50
Communication	300	300	300	0	0
Trade	6,400	6,200	5,850	200	550
Wholesale Trade	750	750	750	0	0
Retail Trade	5,650	5,450	5,100	200	550
Gen. Merch. & Apparel	1,000	950	550	50	450
Food Stores	750	750	750	0	0
Eating & Drinking Places	2,000	1,850	2,000	150	0
Finance-Ins. & Real Estate	950	1,000	900	-50	50
Services & Misc.	5,950	5,900	5,950	50	0
Government	10,950	10,950	10,200	0	750
Federal	3,250	3,050	3,150	200	100
State	4,750	4,950	4,150	-200	600
Local	2,950	2,950	2,900	0	50

Anchorage-MatSu Region

	p/ 4/92	r/ 3/92	Changes from:		
			4/91	3/92	4/91
Total Nonag. Wage & Salary	118,550	117,650	117,500	900	1,050
Goods-producing	11,050	10,800	11,700	250	-650
Mining	3,650	3,700	4,200	-50	-550
Construction	4,900	4,750	5,000	150	-100
Manufacturing	2,500	2,350	2,500	150	0
Service-producing	107,500	106,850	105,800	650	1,700
Transportation	12,200	12,200	11,850	0	350
Trade	27,050	26,600	27,150	450	-100
Finance-Ins. & Real Estate	7,050	7,000	6,950	50	100
Service & Misc.	30,200	30,250	29,850	-50	350
Government	31,000	30,800	30,000	200	1,000
Federal	10,800	10,700	10,450	100	350
State	9,100	9,050	9,050	50	50
Local	11,100	11,050	10,500	50	600

Interior Region

	p/ 4/92	r/ 3/92	Changes from:		
			4/91	3/92	4/91
Total Nonag. Wage & Salary	31,950	31,600	30,000	350	1,950
Goods-producing	2,050	1,900	1,850	150	200
Mining	400	350	350	50	50
Construction	1,050	1,000	950	50	100
Manufacturing	600	550	550	50	50
Service-producing	29,900	29,700	28,150	200	1,750
Transportation	2,250	2,250	2,000	0	250
Trade	6,750	6,550	6,150	200	600
Finance-Ins. & Real Estate	1,000	1,050	1,000	-50	0
Services & Misc.	6,450	6,350	6,400	100	50
Government	13,450	13,500	12,600	-50	850
Federal	3,900	3,700	3,800	200	100
State	5,000	5,250	4,450	-250	550
Local	4,550	4,550	4,350	0	200

Table • 2

Nonagricultural Wage and Salary Employment By Place of Work

Northern Region

	p/ 4/92	r/ 3/92	Changes from:		
			4/91	3/92	4/91
Total Nonag. Wage & Salary	14,800	14,450	15,100	350	-300
Goods-producing	5,850	5,650	6,450	200	-600
Mining	5,300	5,100	5,900	200	-600
Service-producing	8,950	8,800	8,650	150	300
Government	4,550	4,550	4,350	0	200
Federal	250	250	250	0	0
State	350	350	350	0	0
Local	3,950	3,950	3,750	0	200

Gulf Coast Region

	p/ 4/92	r/ 3/92	Changes from:		
			4/91	3/92	4/91
Total Nonag. Wage & Salary	24,000	22,750	24,100	1,250	-100
Goods-producing	6,500	5,800	6,750	700	-250
Mining	1,100	1,150	1,150	-50	-50
Construction	900	800	900	100	0
Manufacturing	4,500	3,850	4,700	650	-200
Seafood Processing	3,650	3,000	3,700	650	-50
Service-producing	17,500	16,950	17,350	550	150
Transportation	2,050	1,950	2,000	100	50
Trade	4,250	3,850	4,000	400	250
Wholesale Trade	450	450	450	0	0
Retail Trade	3,800	3,400	3,550	400	250
Finance-Ins. & Real Estate	600	600	550	0	50
Services & Misc.	4,550	4,450	4,500	100	50
Government	6,050	6,100	6,300	-50	-250
Federal	500	500	550	0	-50
State	1,850	1,800	1,900	50	-50
Local	3,700	3,800	3,850	-100	-150

Southwest Region

	p/ 4/92	r/ 3/92	Changes from:		
			4/91	3/92	4/91
Total Nonag. Wage & Salary	17,800	17,500	17,250	300	550
Goods-producing	6,300	6,000	5,950	300	350
Seafood Processing	6,050	5,750	5,650	300	400
Service-producing	11,500	11,500	11,300	0	200
Government	6,400	6,500	6,450	-100	-50
Federal	1,300	1,300	1,300	0	0
State	500	550	550	-50	-50
Local	4,600	4,650	4,600	-50	0

Municipality of Anchorage — Other

	p/ 4/92	r/ 3/92	Changes from:		
			4/91	3/92	4/91
Durable Goods	500	400	500	100	0
Nondurable Goods	1,900	1,900	1,900	0	0
Trucking & Warehousing	1,700	1,700	1,600	0	100
Water Transportation	300	300	300	0	0
Air Transportation	4,300	4,300	4,100	0	200
Gen. Merch. & Apparel	3,000	3,000	2,900	0	100
Eating & Drinking Places	7,300	6,900	7,400	400	-100

Notes: Prepared in part with funding from the Alaska State Employment Security Division.
Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear here are definitionally different from those that appear in the Labor Force table.

Benchmark: March 1991
p/ denotes preliminary estimates
r/ denotes revised estimates

Source: Alaska Department of Labor, Research & Analysis Section.

retailers into the Fairbanks market is the single biggest reason for these increases. It is also the main reason Fairbanks' total employment growth is so far ahead of the other regions in the state. (See Figure 1.) The April opening in Kenai of Carrs Quality Centers' largest store in the state boosted retail jobs in Gulf Coast by 100. (See Table 2.)

Conversely, the performance of Anchorage, the state's largest retail market, has been lackluster at best. In April employment was down slightly over-the-year. This could change soon. As in Fairbanks last year when new stores opened, Anchorage retail employment numbers should get a boost later this year. Costco and Eagle Hardware have already broken ground for new stores; combined, they will hire approximately 300-400 employees. K-mart and Pace announced intentions of breaking ground in 1992. If these other two retailers build stores, this would further boost retail employment by more than 400. These increases are unlikely to be net new jobs in the economy because the retail pie is probably not growing fast enough to absorb all of this new retail capacity. What is more likely to happen is that many retailers will trim their work forces as they divide this pie up into more pieces.

A predicted healthy tourist season should prove beneficial to the state retail sector. It should also breathe a little more life into a slack services industry. At the present time Alaska's services industry is posting a 400 job increase above year-ago levels. Nearly all of this growth has come in health services and hotels. Legal, business, auto services and others are either maintaining or losing ground. The significance of this sector's present sluggish performance is that during the past four years it led all other industries' growth, adding 8,200 new jobs to the economy. Services' humdrum performance is another sign that income growth remains weak and there is not much impetus for growth in Alaska's economy.

Job market loosens up slightly

This is the time of the year when the job market loosens up; thousands of people return to work or find new jobs in tourism, construction, fishing and many other industries. Finding that first job or seasonal job will be more difficult this year than it has been in four years. The state's unemployment rate fell nearly a point in April and it will continue declining for the next four to five months. This April's unemployment rate of 9.2%, however, is nearly 1.5 points higher than last year and translates into 3,000 more Alaskans unemployed than last April. (See Figure 2.)

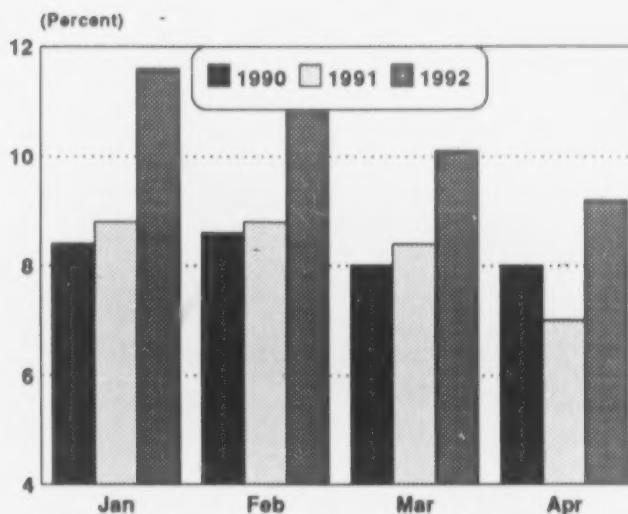
Although employment is still expanding, there are more job seekers chasing after these opportunities than previously. More high school and college graduates, more new entrants and a growing number of new arrivals all add up to a more competitive job market.

The national labor market is beginning to show some signs of improvement. This could eventually take some of the pressure off the Alaska job market. Unless a strong recovery begins in the next few months though—which is unlikely—the improvements will do little for Alaska this year.

Figure • 2

April's Unemployment Rate Remains Highest In 3 Years

Source: Alaska Department of Labor, Research and Analysis Section.



Alaska Hours and Earnings for Selected Industries

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	p/ 4/92	r/ 3/92	4/91	p/ 4/92	r/ 3/92	4/91	p/ 4/92	r/ 3/92	4/91
Mining	\$1,197.86	\$1,200.85	\$1,154.87	51.3	51.1	48.2	\$23.35	\$23.50	\$23.96
Construction	1,020.77	959.69	1,030.75	43.4	41.1	43.4	23.52	23.35	23.75
Manufacturing	451.78	507.53	566.23	41.6	50.4	49.8	10.86	10.07	11.37
Seafood Processing	352.99	428.04	494.28	43.1	56.1	55.6	8.19	7.63	8.89
Trans., Comm. & Utilities	635.60	607.39	590.54	35.0	33.8	33.9	18.16	17.97	17.42
Trade	350.57	357.90	354.41	32.4	33.2	31.9	10.82	10.78	11.11
Wholesale	564.72	585.33	575.78	38.6	39.1	39.6	14.63	14.97	14.54
Retail	308.57	312.97	310.69	31.2	32.1	30.4	9.89	9.75	10.22
Finance-Ins. & R.E.	431.36	424.31	397.65	34.9	35.3	33.9	12.36	12.02	11.73

Notes:

p/ denotes preliminary estimates

r/ denotes revised estimates
Benchmark: March 1991

Averages are based on data for full- and part-time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

Source: Alaska Department of Labor, Research & Analysis Section.

The unemployment picture improved in nearly all parts of the state. The largest improvement came in Southeast communities as timber activity picked up and the herring harvest got underway. Haines enjoyed the single largest improvement, where the rate fell by nearly five points to 15.5%—a big drop but still a high rate. Most other areas of the state experienced small improvements in their unemployment picture. Kodiak Island Borough was the only area that experienced a significant increase in the unemployment rate because of closures of bottomfisheries.

Summary: employment is still ahead of last year

The employment count for the first third of 1992 remains positive in Alaska. Not all industries nor geographic regions are growing, but on the whole the state remains in the black. Only the oil and timber industries are running behind last year's levels. The news in the oil patch is no surprise given weak oil prices and the many announcements made by the big players of their intentions to retrench. Timber's losses are smaller and could rebound some this year because timber prices are on the upswing.

Some of the big winners in job growth remain retail trade and air transportation. Most of retail trade's robustness is a result of new retailers in Fairbanks during the last six months. In the largest retail market, Anchorage, the retail trade picture is weak. This could change soon, however, since at least four national retailers have plans to expand in Anchorage.

The labor market began loosening up in April as the state's seasonal industries readied themselves for the summer. Unemployment rates fell around the state as many workers began to returning to seasonal jobs. The job market, however, remains more competitive than it has been for several years. Slower employment growth coupled with more job seekers are making the task of finding a job this year more difficult than in the past four years.

Table • 4

Labor Force By Region and Census Area

	Labor Force			Unemployment			Rate %			Employment		
	p/ 4/92	r/ 3/92	4/91	p/ 4/92	r/ 3/92	4/91	p/ 4/92	r/ 3/92	4/91	p/ 4/92	r/ 3/92	4/91
Alaska Statewide	255,231	253,961	256,626	23,473	25,524	19,747	9.2	10.1	7.7	231,758	228,437	236,879
Anch.-MatSu Region	131,618	131,785	132,821	10,852	11,608	8,978	8.2	8.8	6.8	120,766	120,177	123,843
Munic. of Anchorage	114,828	115,084	116,275	8,350	8,838	6,986	7.3	7.7	6.0	106,478	106,246	109,289
MatSu Borough	16,790	16,701	16,546	2,502	2,770	1,992	14.9	16.6	12.0	14,288	13,931	14,554
Gulf Coast Region	30,401	29,255	30,725	3,974	4,062	3,043	13.1	13.9	9.9	26,427	25,193	27,682
Kenai Peninsula Borough	19,046	18,557	19,222	2,854	3,121	2,261	15.0	16.8	11.8	16,192	15,436	16,961
Kodiak Island Borough	6,754	6,211	6,719	584	329	256	8.6	5.3	3.8	6,170	5,882	6,463
Valdez-Cordova	4,601	4,487	4,784	536	612	526	11.6	13.6	11.0	4,065	3,875	4,258
Interior Region	35,836	35,924	34,726	3,978	4,419	3,641	11.1	12.3	10.5	31,858	31,505	31,085
Fairbanks North Star Bor.	30,930	30,971	29,939	3,306	3,654	2,986	10.7	11.8	10.0	27,624	27,317	26,953
Southeast Fairbanks	2,112	2,097	1,976	347	351	254	16.4	16.7	12.9	1,765	1,746	1,722
Yukon-Koyukuk	2,794	2,856	2,811	325	414	401	11.6	14.5	14.3	2,469	2,442	2,410
Northern Region	8,414	8,259	8,499	911	864	695	10.8	10.5	8.2	7,503	7,395	7,804
Nome	3,157	3,117	3,182	413	412	328	13.1	13.2	10.3	2,744	2,705	2,854
North Slope Borough	2,963	2,899	3,040	125	102	88	4.2	3.5	2.9	2,838	2,797	2,952
Northwest Arctic Borough	2,294	2,243	2,277	373	350	279	16.3	15.6	12.3	1,921	1,893	1,998
Southeast Region	34,371	34,195	35,240	2,840	3,593	2,594	8.3	10.5	7.4	31,531	30,602	32,646
Haines Borough	888	911	876	138	183	100	15.5	20.1	11.4	750	728	776
Juneau Borough	15,154	14,865	15,510	895	1,027	747	5.9	6.9	4.8	14,259	13,838	14,763
Ketchikan Gateway Bor.	6,470	6,465	6,662	627	794	612	9.7	12.3	9.2	5,843	5,671	6,050
Pr. of Wales-Outer Ketch.	2,618	2,691	2,754	293	434	346	11.2	16.1	12.6	2,325	2,257	2,408
Sitka Borough	3,966	3,932	4,033	252	327	187	6.4	8.3	4.6	3,714	3,605	3,846
Skagway-Yakutat-Angoon	1,723	1,759	1,748	271	350	245	15.7	19.9	14.0	1,452	1,409	1,503
Wrangell-Petersburg	3,552	3,572	3,657	364	478	357	10.2	13.4	9.8	3,188	3,094	3,300
Southwest Region	14,591	14,543	14,615	918	978	796	6.3	6.7	5.4	13,673	13,565	13,819
Aleutians East Borough	1,031	1,021	1,026	30	28	14	2.9	2.7	1.4	1,001	993	1,012
Aleutians West	2,842	2,824	2,868	38	42	34	1.3	1.5	1.2	2,804	2,782	2,834
Bethel	5,641	5,599	5,625	458	457	387	8.1	8.2	6.9	5,183	5,142	5,238
Bristol Bay Borough	570	579	562	41	54	28	7.2	9.3	5.0	529	525	534
Dillingham	2,668	2,662	2,636	192	206	134	7.2	7.7	5.1	2,476	2,456	2,502
Wade Hampton	1,839	1,858	1,898	159	191	199	8.6	10.3	10.5	1,680	1,667	1,699

Notes: p/ denotes preliminary estimates

r/ denotes revised estimates

Benchmark: March 1991

- Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey in formulas used to allocate federal funds.
 - Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor.
 - The official definition of unemployment currently in place excludes anyone who has made no attempt to find work in the four-week period up to and including the week that includes the 12th of each month. Most Alaska economists believe that Alaska's rural localities have proportionately more of these discouraged workers.
 - The employment numbers that appear above are definitionally different from those that appear in the Nonagricultural Wage & Salary Employment tables.
- Sources: Alaska Department of Labor, Research & Analysis Section.

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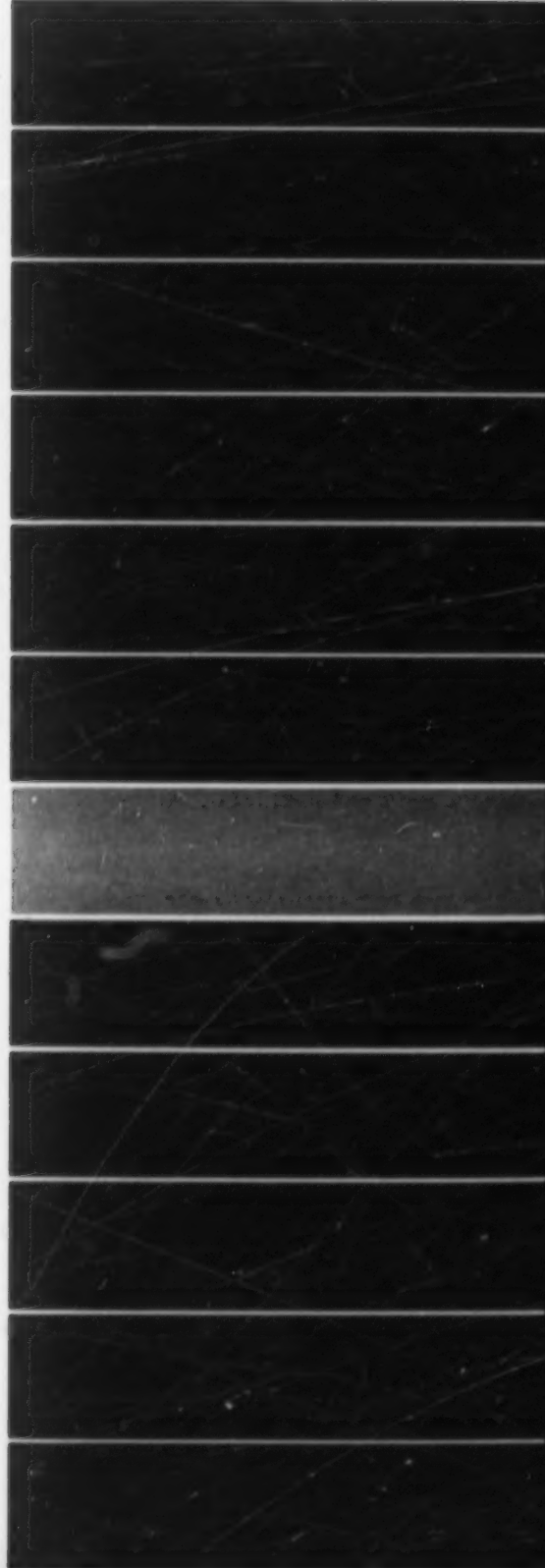
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ALASKA ECONOMIC TRENDS



MAY'S MIXED SIGNALS

August 1992

**ALASKA'S LARGEST PRIVATE EMPLOYERS IN 1991:
THE TRENDS 100**

ALASKA DEPARTMENT OF LABOR
WALTER J. HICKEL, GOVERNOR

ALASKA ECONOMIC

TRENDS

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Alaska State Employment Service



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Alaska's Largest Private Employers in 1991: The *Trends* 100

By Holly Stinson

For six years, ARCO Alaska led the list of the state's largest private employers.¹ In 1991, they were overtaken by Carr Gottstein Foods. This did not happen because ARCO had fewer jobs—they managed to add a few on an annual average basis in spite of cutting back late in the year. Instead, Carr's grocery chain overtook them by adding more than 100 new jobs in 1991. Carr's will likely remain in the number one spot in 1992. A new Kenai store and expansion of others, combined with a full year to take into account ARCO's smaller workforce, are the reasons for this position switch.

Trends 100 has durable seven

Table 1 lists the other ninety-eight large firms not mentioned above. To long-time readers of *Trends* many on this list are familiar. Seven of this year's ten largest businesses have been among the top ten for the seven years the Alaska Department of Labor has produced this analysis. Included in this group are Carr's, Providence Hospital and National Bank of Alaska. The two major producers at Prudhoe Bay—ARCO Alaska and BP Exploration—are among the durable seven, along with a related firm, Alyeska Pipeline. A fourth business with ties to the oil industry, VECO, rounds out the club (except for their 11th place rank in 1985).

The durable seven are not the only employers appearing on the list year after year. Seventeen of the twenty largest on the list have been among the top twenty firms for four years in a row. Eight new firms are among the *Trends* 100 for 1991; six of the eight are from the transportation, communications and utilities category.

One in five jobs with large firms

The 100 businesses that make up the *Trends* 100 employ just over one of every five workers in Alaska. (See Figure 1.) This includes all nonagricultural wage and salary workers in both the public and private sectors. More than 13,000 businesses account for the rest of private employment.

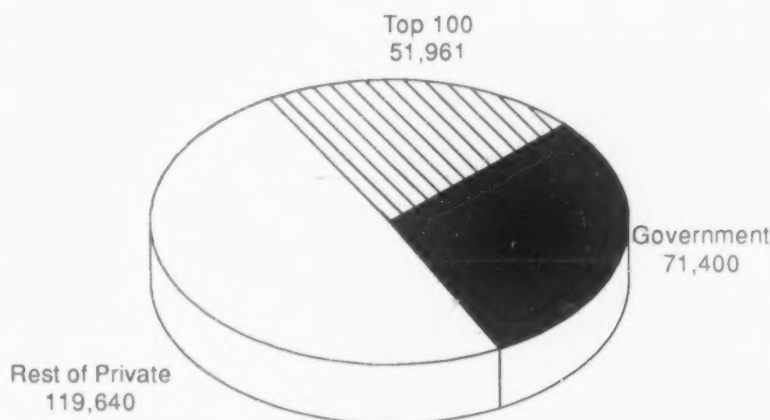
In keeping with tradition, Alaska's 100 largest private employers grew at a faster clip than the economy as a whole in 1991 (2.8% vs. 2.1%). For the seven years we have compiled a list of large firms, those firms on the list have grown at a faster pace than the whole private sector. They even managed to grow when the rest of the economy was losing ground. (See Figure 2.)

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¹ Some large firms are not included in the *Trends* 100 if, because of the company's structure, they file more than one unemployment insurance report.

Figure • 1

How Alaska's Employment Pie is Sliced
1991 Annual Average Employment



Source: Alaska Department of Labor, Research & Analysis

Trends 100 pay above average

Growth of the *Trends 100* payroll outpaced employment growth. A total payroll of \$1.85 billion in 1991 represents a 4.4% increase from 1990. This compares to a 2.0% growth rate in the payroll for the entire private sector, and a 2.8% increase for total payroll including government workers.

The average monthly wage of a *Trends 100* employee was \$2,963 in 1991, up from \$2,921 in 1990. The average monthly wage for all wage and salary earners was \$2,541 in 1991, \$422 less than the largest firms paid. One reason for this difference is the greater representation of the oil and gas industry in the *Trends 100* than in the economy as a whole. This industry pays the highest average monthly wage in the state. Another reason is the smaller proportion of trade and services firms in the *Trends 100*, both industries that have lower-than-average monthly wages and many part-time jobs.

Seven of ten oil and gas jobs are with large firms

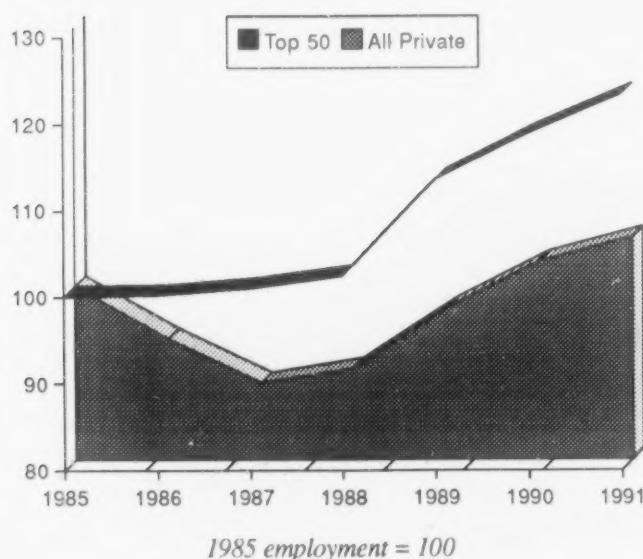
The oil and gas industry also dominates the *Trends 100* when you look at the percent of an industry's total employment that is with these large firms. Figure 3 shows that seven of every ten jobs in the oil and gas business are with top 100 firms. More than half of all jobs in air transportation, seafood processing, and wood products businesses are also with *Trends 100* companies. It takes a lot of capital to extract oil or operate an airline, so it's not surprising that some of Alaska's largest firms are in these businesses. Economies of scale are realized when processing raw products such as fish and timber, which explains why so many companies in these businesses are large.

Other *Trends 100* firms account for only a small proportion of the jobs in a particular industry. These are in sectors where an operation can be successfully run by a handful of people or even a sole proprietor. For example, eating and drinking establishments range from the large chains in the *Trends 100*—McDonald's and Burger King, Pizza Hut and Taco Bell—to a one-person hot dog cart. Four of every five jobs in this category are with these smaller employers.

Figure • 2

Largest Employers Grow Faster Than All Private Firms

Source: Alaska Department of Labor, Research & Analysis



Another category well represented in the *Trends 100* but with a majority of jobs in smaller firms is health care. There are 11 hospitals and regional health corporations among the largest employers—more than from any other sector of the economy. The myriad of smaller medical offices and facilities, however, employ close to seven of every ten medical workers.

The 11 health care firms in the *Trends 100* join 14 other businesses in the services industry to give this category the largest number of firms in the list. (See Figure 4.) They are closely followed by 24 businesses in the trade category. These two categories—trade and services—also make up the bulk of all private sector firms.

Newcomers in transportation, communications, utilities

An industry that increased its portion of the Top 100 pie this year is transportation, communications and utilities. Two bus operators, an airline, a telephone company, a courier service and a radar station operator were among Alaska's largest firms in 1991. (See Table 2.) Demand from the local population and/or tourists is what generates business for the first five of these firms. The size of both groups expanded in 1991 and resulted in employment growth for these businesses.

One firm from this group, UPS, burst onto the list into 65th place—the fastest growth of all the *Trends 100* firms. This is because their international operations on a new route to Japan were in full swing in 1991. Another from this group, MarkAir Express, appears on the list for the first time in 72nd rank.

Others who moved up 20 or more places in the rankings were Golden Frontier Enterprises (the Fairbanks McDonald's franchise) and Northwest Design Services. More part-time jobs at McDonald's, often filled by students and seniors, accounts for much of their employment jump. Northwest Design Services offers contract services, a concept becoming more popular each year. Employment data for the *Trends 100* includes only jobs on a firm's payroll, not contract employees.

A company in the mining industry, Cominco, moved up almost 20 rankings in 1991. This movement was not because jobs at their Red Dog mine increased, but rather because it was their first full year of operation.

Cominco is the only representative from Northwestern Alaska on the *Trends 100* list. Most large firms—65%—cite Anchorage as their headquarters or largest work location. Many of the Anchorage firms, though, have operations throughout the state. Eight *Trends 100*

continued on page 9

Most Oil & Gas Jobs Are With Top 100 Firms Percent Of All Jobs In Selected Industries With Top 100 Firms

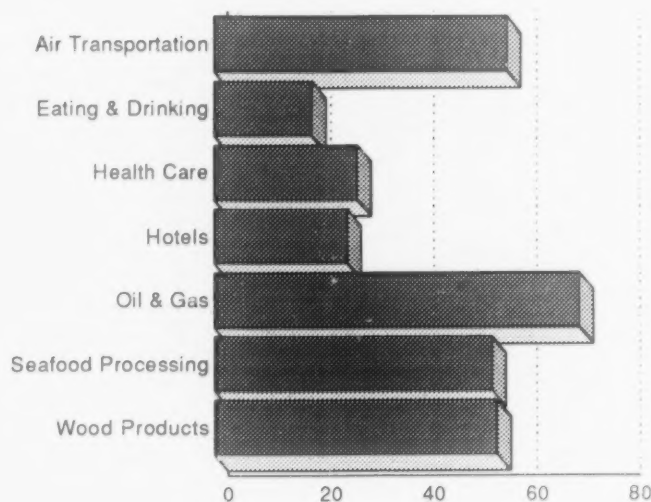


Figure • 3

Source: Alaska Department of Labor, Research & Analysis

We would like to thank the 100 employers in this article for their cooperation, without which this article would not have been possible.

T a b l e 1

Alaska's Top 100 Employers/^a

Rank	Firm Name	Employment	Largest Work Site	Business Activity
1	Carr Gottstein Foods	2,952	Anchorage	Retail-grocery
2	ARCO Alaska	2,914	Anchorage	Oil & Gas Production
3	Providence Hospital	1,825	Anchorage	Hospital
4	BP Exploration (Alaska)	1,502	Anchorage	Oil & Gas Production
5	VECO	1,441	Anchorage	Oil Field Services
6	Alyeska Pipeline Service Co.	1,269	Anchorage	Pipeline
7	National Bank of Alaska	1,202	Anchorage	Banking
8	Trident Seafoods	1,109	Akutan	Seafood Processing
9	Alaska Airlines	947	Anchorage	Air Carrier
10	Ketchikan Pulp Company	946	Ketchikan	Pulp & Lumber Products
11	MarkAir	931	Anchorage	Air Carrier
12	UniSea	926	Unalaska	Seafood Processing
13	Fred Meyer	898	Anchorage	Retail-general merchandise
14	Safeway Stores	895	Anchorage	Retail-grocery
15	Icicle Seafoods	869	Petersburg	Seafood Processing
16	All Alaskan Seafoods	801	Kodiak	Seafood Processing
17	Alaska Petroleum Contractors	800	Anchorage	Oil Field Services
18	First National Bank of Anchorage	786	Anchorage	Banking
19	Alascom	747	Anchorage	Telephone Communications
20	Westmark Hotels	740	Anchorage	Hotel
21	Fairbanks Memorial Hospital	727	Fairbanks	Hospital
22	Alaska Pulp Corp.	687	Sitka	Pulp & Lumber Products
23	Humana Hospital-Alaska	669	Anchorage	Hospital
24	Union Oil Co. of California	568	Anchorage	Oil & Gas Production
25	Sears Roebuck & Co.	559	Anchorage	Retail-general merchandise
26	ERA Aviation	550	Anchorage	Air Carrier
27	Pay'n Save Drug Stores	537	Anchorage	Retail-general merchandise
28	Alaska USA Federal Credit Union	511	Anchorage	Credit Union
29	JC Penney	476	Anchorage	Retail-general merchandise
30	Anchorage Daily News	476	Anchorage	Newspaper
31	Anchorage Times Publishing Co.	471	Anchorage	Newspaper
32	Alaska Commercial Co.	468	Anchorage	Retail-general merchandise
33	Peter Pan Seafoods	458	King Cove	Manufacturing
34	Tanana Chiefs Conference	454	Fairbanks	Social Services
35	Key Bank of Alaska	453	Anchorage	Banking

Table 1 (cont.)

Alaska's Top 100 Employers/^a

Rank	Firm Name	Employment	Largest Work Site	Business Activity
36	Federal Express	453	Anchorage	Air Courier Services
37	McDonalds	440	Anchorage	Retail-eating establishment
38	Spenard Builders Supply	433	Anchorage	Trade-lumber products
39	Ogden Facility Management of Alaska	429	Anchorage	Facilities Management
40	Yukon Kuskokwim Health Corp.	425	Bethel	Health Care
41	Chugach Electric Association	406	Anchorage	Electric Utility
42	Pizza Hut	402	Anchorage	Retail-eating establishment
43	HC Price	393	Anchorage	Construction
44	Lamonts	389	Anchorage	Retail-apparel
45	Nordstrom	378	Anchorage	Retail-general merchandise
46	Hotel Captain Cook	377	Anchorage	Hotel
47	Wards Cove Packing Co.	370	Naknek	Manufacturing
48	Southeast Alaska Regional Health Corp.	368	Juneau	Health Care
49	Sea-Land Freight Service	367	Anchorage	Shipping & Warehousing
50	NANA/Marriott Joint Venture	366	Anchorage	Retail-caterer
51	Anchorage Hilton Hotel	350	Anchorage	Hotel
52	Norton Sound Health Corp.	348	Nome	Health Care
53	Peak Oilfield Service Co.	337	Prudhoe Bay	Oil Field Services
54	Reeve Aleutian Airways	329	Anchorage	Air Carrier
55	Cominco Alaska	328	Red Dog	Mining
56	Our Lady of Compassion Care Center	326	Anchorage	Health Care
57	Burger King	323	Anchorage	Retail-eating establishments
58	Alaska Sales & Service	313	Anchorage	Motor Vehicle Dealer
59	Maniilaq Association	312	Kotzebue	Social Services
60	North Pacific Processors	307	Cordova	Seafood Processing
61	Northstore Ventures/7-11	299	Anchorage	Retail-grocery
62	Northwest Technical Services	297	Anchorage	Engineering Services
63	Alyeska Seafoods	293	Unalaska	Seafood Processing
64	Inlet Fisheries	292	Kenai	Seafood Processing
65	United Parcel Service	282	Anchorage	Courier Services
66	Hope Cottages	282	Anchorage	Residential Care
67	Matanuska Telephone Association	278	Palmer	Communications
68	Golden Frontier Enterprises/McDonalds	276	Fairbanks	Retail-eating establishments
69	Klukwan Forest Products	276	Juneau	Logging
70	ARA Leisure Services	276	Fairbanks	Retail-caterer

Table 1(cont.)

Alaska's Top 100 Employers/^a

Rank	Firm Name	Employment	Largest Work Site	Business Activity
71	Mayflower Contract Services	273	Anchorage	Bus Charter Services
72	MarkAir Express	272	Anchorage	Air Carrier
73	Greens Creek Mining Co.	270	Juneau	Mining
74	American Guard & Alert	269	Anchorage	Guard Services
75	Costco Wholesale	267	Anchorage	Retail-general merchandise
76	Sheraton Anchorage Hotel	265	Anchorage	Hotel
77	Valley Hospital	262	Palmer	Hospital
78	Market Basket/SuperValu Foods	258	Fairbanks	Retail-grocery
79	Delta Air Lines	253	Anchorage	Air Carrier
80	Denali Foods/Taco Bell	250	Anchorage	Retail-eating establishments
81	Dynair Service	249	Anchorage	Transportation
82	Ketchikan General Hospital	245	Ketchikan	Hospital
83	Caterair International	244	Anchorage	Retail-caterer
84	E & S Diversified Services	244	Anchorage	Maintenance Services
85	Felec Services	241	Fairbanks	Radar Station Operator
86	Nabors Alaska Drilling	241	Prudhoe Bay	Oil Field Services
87	Bristol Bay Area Health Corp.	240	Dillingham	Health care
88	AK Specialized Ed.&Training Ctr. (ASETS)	239	Anchorage	Sheltered Workshop/Voc.Rehab
89	Tundra Tours	238	Fairbanks	Bus Charter Services
90	King Crab	236	Kodiak	Seafood Processing
91	Anchorage Cold Storage	230	Anchorage	Wholesale-grocery
92	Cook Inlet Processing	230	Nikiski	Seafood Processing
93	Enstar Natural Gas	223	Anchorage	Natural Gas Distribution
94	Laidlaw Transit	222	Anchorage	Bus Charter Services
95	Central Peninsula General Hospital	220	Soldotna	Hospital
96	GE Government Services	220	Anchorage	Communications Services
97	Earth Movers of Fairbanks	220	Fairbanks	Construction
98	Pace Membership Warehouse	219	Anchorage	Retail-general merchandise
99	Telephone Utilities of the Northland	219	Anchorage	Telephone Communications
100	GCI Communications	218	Anchorage	Telephone Communications

TOTAL TRENDS 100 EMPLOYMENT 51,961

^aBased on 1991 average employment. Firms with identical employment ranked by unrounded employment.
Source: Alaska Department of Labor, Research & Analysis Section.

Trends 100 Employers by Industry

MINING	1991 RANK	1990 RANK	TRANS., COMM., & UTIL. cont.	1991 RANK	1990 RANK
Alaska Petroleum Contractors	17	13	Enstar Natural Gas	93	95
ARCO Alaska	2	1	ERA Aviation	26	26
BP Exploration (Alaska)	4	5	Federal Express	36	40
Cominco Alaska	55	74	GCI Communications	100	new
Greens Creek Mining Co.	73	66	GE Government Services	96	new
Nabors Alaska Drilling	86	89	Laidlaw Transit	94	new
Union Oil Co. of California	24	30	MarkAir	11	12
VECO	5	4	MarkAir Express	72	new
			Matanuska Telephone Association	67	82
CONSTRUCTION			Mayflower Contract Services	71	78
Earth Movers of Fairbanks	97	79	Reeve Aleutian Airways	54	60
HC Price	43	29	Sea-Land Freight Service	49	58
			Telephone Utilities of the Northland	99	97
MANUFACTURING			Tundra Tours	89	new
Alaska Pulp Corp.	22	22	United Parcel Service	65	new
All Alaskan Seafoods	16	17			
Alyeska Seafoods	63	67	TRADE		
Anchorage Daily News	30	34	Alaska Commercial Co.	32	28
Anchorage Times Publishing Co.	31	32	Alaska Sales & Service	58	56
Cook Inlet Processing	92	new	Anchorage Cold Storage	91	70
Icicle Seafoods	15	15	ARA Leisure Services	70	72
Inlet Fisheries	64	83	Burger King	57	48
Ketchikan Pulp Company	10	10	Carr Gottstein Foods	1	2
King Crab	90	94	Caterair International	83	65
Klukwan Forest Products	69	47	Costco Wholesale	75	80
North Pacific Processors	60	45	Denali Foods/Taco Bell	80	88
Peter Pan Seafoods	33	41	Fred Meyer	13	20
Trident Seafoods	8	8	Golden Frontier/McDonalds	68	93
UniSea	12	23	JC Penney	29	31
Wards Cove Packing Co.	47	42	Lamonts	44	38
			Market Basket/SuperValu Foods	78	76
TRANSPORTATION, COMMUNICATION & UTILITIES			McDonalds	37	39
Alascom	19	16	NANA/Marriott Joint Venture	50	49
Alaska Airlines	9	11	Nordstrom	45	37
Alyeska Pipeline Service Co.	6	7	Northstore Adventures/7-11	61	61
Chugach Electric Association	41	43	Pace Membership Warehouse	98	92
Delta Air Lines	79	75	Pay'n Save Drug Stores	27	24
Dynair Service	81	55	Pizza Hut	42	57
			Safeway Stores	14	9
			Sears Roebuck & Co.	25	25
			Spennard Builders Supply	38	46

Table 2(cont.)

Trends 100 Employers by Industry

FINANCE, INSURANCE & REAL ESTATE

	1991 RANK	1990 RANK
Alaska USA Federal Credit Union	28	27
First National Bank of Anchorage	18	14
Key Bank of Alaska	35	33
National Bank of Alaska	7	6

SERVICES

AK Specialized Ed. & Training Center (ASETS)	88	98
American Guard & Alert	74	62
Anchorage Hilton Hotel	51	51
Bristol Bay Area Health Corp.	87	91
Central Peninsula General Hospital	95	96
E & S Diversified Services	84	new
Fairbanks Memorial Hospital	21	19
Felec Services	85	52
Hope Cottages	66	81
Hotel Captain Cook	46	35
Humana Hospital-Alaska	23	21
Ketchikan General Hospital	82	86
Maniilaq Association	59	68
Northwest Technical Services	62	84
Norton Sound Health Corp.	52	69
Ogden Facility Management of Alaska	39	50
Our Lady of Compassion Care Center	56	59
Peak Oilfield Service Co.	53	71
Providence Hospital	3	3
Sheraton Anchorage Hotel	76	63
Southeast Regional Health Corp.	48	44
Tanana Chiefs Conference	34	36
Valley Hospital	77	77
Westmark Hotels	20	18
Yukon Kuskokwim Health Corp.	40	53

DEFINITIONS AND EXPLANATIONS

Employment data were obtained from the unemployment insurance reports which every employer in the state with one or more employees must file. Employment figures reported are the total number of people working during the payroll period which includes the 12th of each month (regardless of how many hours they worked).

Annual average employment is calculated by summing the 12 monthly figures reported to the Alaska Department of Labor on the Employer's Quarterly Report and dividing the total by 12.

Total employment of a parent company will not be captured, and therefore not appear in the Trends 100, if subsidiaries file unemployment insurance reports under separate account numbers.

Confidentiality laws protect employment information. Therefore, it was necessary to receive written permission from each employer to publish employment data. This year, three employers refused to grant permission. The actual Trends 100 would have included two additional services firms and one air transportation firm. The last three firms in the Trends 100 list would have been omitted.

Source: Alaska Department of Labor, Research & Analysis Section.

continued from page 3

businesses are located in Fairbanks, seven in Southeast Alaska, and the rest scattered throughout the state from Akutan to Prudhoe Bay.

Summary

The Carr's grocery chain was Alaska's largest private employer in 1991. They overtook ARCO Alaska, a firm that held the number one spot for the past six years.

The *Trends 100* added employment at a faster pace than the economy as a whole, as they have done each of the past seven years. Their payroll grew 4.4% from 1990, and their average monthly wage of \$2,963 was \$422 higher than the average for all wage and salary earners.

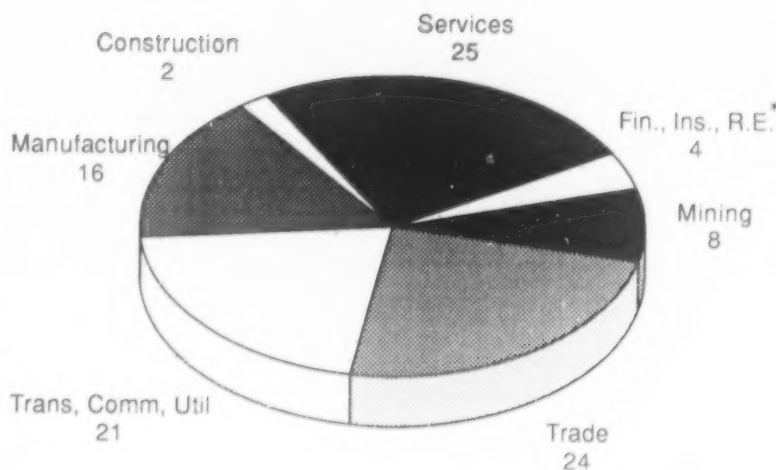
Six of the eight new additions to the 1991 list are from the transportation, communications and utilities sector. Firms from the trade and services industries dominate the *Trends 100* list, although in a smaller proportion than in the economy as a whole. A large share of oil and gas employment is with *Trends 100* firms. Seven of every 10 jobs in this field are with large companies. This contrasts with some categories such as eating and drinking estab-

lishments where only one in five jobs are with *Trends 100* firms.

The 100 largest firms employ one in five workers in the state, and close to one in three in the private sector. They are the building blocks of Alaska's economy, although there are more than 13,000 other firms in the private sector whose importance cannot be ignored.

Figure • 4

1 in 4 Top 100 Firms are in Services Number of firms by Industry



Source: Alaska Department of Labor, Research & Analysis

*Finance, Insurance and Real Estate

May's Mixed Signals Mark Muddled Economy

By John Boucher

May's employment and unemployment statistics continued the recent pattern of mixed economic signals. On one hand, statewide wage and salary employment posted a strong gain—moving up more than 7,000 jobs from April's level. (See Table 1.) On the other hand the increase in wage and salary employment was not enough to drop the statewide unemployment rate. May's unemployment rate came in at 9.3%—one-tenth of a percentage point higher than April's. (See Table 4.)

Sluggish seasonal upturn continues

Since the beginning of the year, the state's economy has experienced a sluggish seasonal upturn. Except for January, the economy has created jobs at a slower than average pace. From January to May, Alaska's economy created wage and salary jobs at a slower rate than the average of the last five years. (See Figure 1.)

Alaska's oil and gas and timber industries are contributing to the sluggishness of the economy. The oil industry, particularly oil field services firms, was the single largest job loser compared to last year. There are about 1,400 fewer jobs in the oil & gas industry than there were last May. That translates to a 13.5% drop. Meanwhile, Southeast Alaska's timber industry continues to struggle—down about 450 jobs from last May.

While the oil & gas and timber industries are clearly big contributors to the May drop, other factors helped put the brakes on growth in May. After all, the oil and gas industry has posted employment losses since the fourth quarter of last year and the timber industry even longer. Despite these two industries losing jobs, the over-the-year employment growth had averaged about 5,000 jobs. In May that gain dropped back to 1,300.

Seafood processing down, but salmon looking better than '91

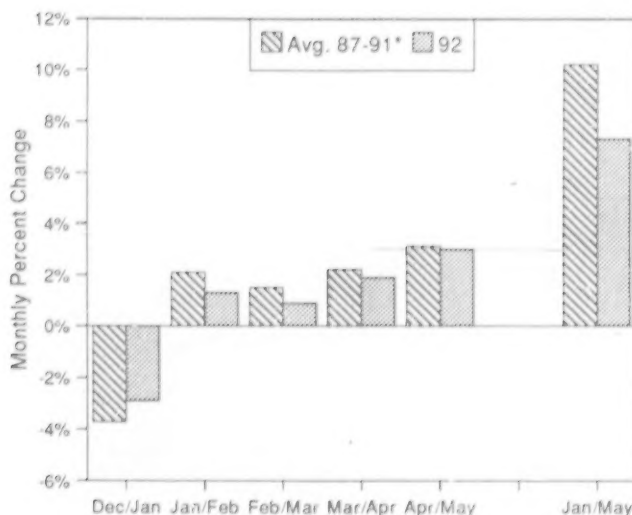
One contributing factor to the May drop was that seafood processing employment fell behind its year-ago level for the first time since the fourth quarter of 1990. Most notable was that Southwestern Alaska, whose additional bottom-fish capacity has spurred the statewide growth, also had less seafood processing employment than a year ago for the first time since late in 1990.

The drop in seafood processing employment during May is not necessarily an indicator of the overall health of Alaska's fishing industry. May is a transition month between the height of activity in the bottom fishery and the peak

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Figure • 1

Average Change in Wage & Salary Employment 1987-1991



* 1989 changes for Mar/Apr & Apr/May removed from average due to oil spill.

Source: Alaska Department of Labor, Research and Analysis Section.

Table • 1

Nonagricultural Wage and Salary Employment by Place of Work — Alaska & Municipality of Anchorage

salmon season in June, July and August. Despite lower May employment, early indications are that the salmon season will be better this year than last year. Last year was characterized by low fish prices, striking fishermen and closing processors. The Prince William Sound area was particularly hard hit by a disastrous pink salmon season which saw much of the catch unsalable.

On the price front, things are already looking up for fishermen. An early Copper River sockeye run saw prices up significantly from last year. While this run doesn't have a direct link to the massive Bristol Bay sockeye run later in the summer, it reinforced expectations for higher prices this season.

In addition, the Prince William Sound Aquaculture Corporation (PWSAC), which took a \$5 million loss during last year's pink disaster, has already presold more pinks than they sold all of last year—at a price more than 25% above last year's.

What is interesting about the PWSAC deal is one factory trawl operator is easing its way into the pink salmon processing business. Golden Age Fisheries, a small factory trawler operating in the Bering Sea, experimented with processing pink salmon last year and they'll be expanding their presence this year. One reason the company decided to enter the pink salmon market was the rapidly changing bottomfish

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Alaska

	Changes from:				
	p/ 5/92	r/ 4/92	5/91	4/92	5/91
Total Nonag. Wage & Salary	247,400	240,200	246,100	7,200	1,300
Goods-producing	39,900	37,000	41,900	2,900	-2,000
Mining	10,600	10,800	12,000	-200	-1,400
Construction	10,700	8,800	10,300	1,900	400
Manufacturing	18,600	17,400	19,600	1,200	-1,000
Durable Goods	3,300	3,000	3,700	300	-400
Lumber & Wood Products	2,300	2,200	2,800	100	-500
Nondurable Goods	15,300	14,400	15,900	900	-600
Seafood Processing	11,400	10,500	11,900	900	-500
Pulp Mills	900	900	900	0	0
Service-producing	207,500	203,200	204,200	4,300	3,300
Transportation	22,200	21,100	22,000	1,100	200
Trucking & Warehousing	2,900	2,800	2,800	100	100
Water Transportation	1,400	1,200	1,700	200	-300
Air Transportation	7,100	6,900	7,100	200	0
Communications	3,600	3,500	3,500	100	100
Trade	47,900	46,100	47,100	1,800	800
Wholesale Trade	7,900	7,700	7,900	200	0
Retail Trade	40,000	38,400	39,200	1,600	800
Gen. Merch. & Apparel	6,300	6,200	5,800	100	500
Food Stores	7,300	7,200	7,000	100	300
Eating & Drinking Places	14,000	13,200	13,800	800	200
Finance-Ins. & Real Estate	10,900	10,600	10,700	300	200
Services & Misc.	52,600	50,800	52,300	1,800	300
Hotels & Lodging Places	5,500	4,700	5,400	800	100
Health Services	11,400	11,300	11,200	100	200
Government	73,900	74,600	72,100	-700	1,800
Federal	19,300	18,900	18,900	400	400
State	21,200	22,600	20,900	-1,400	300
Local	33,400	33,100	32,300	300	1,100

Notes: Prepared in cooperation with the U.S. Bureau of Labor Statistics.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear here are definitionally different from those that appear in the Labor Force table.

Benchmark: March 1991
p/ denotes preliminary estimates

r/ denotes revised estimates

Source: Alaska Department of Labor, Research & Analysis Section.

Municipality of Anchorage

	Changes from:				
	p/ 5/92	r/ 4/92	5/91	4/92	5/91
Total Nonag. Wage & Salary	113,300	110,800	112,600	2,500	700
Goods-producing	11,700	10,600	12,300	1,100	-600
Mining	3,400	3,500	4,000	-100	-600
Construction	5,700	4,700	5,700	1,000	0
Manufacturing	2,600	2,400	2,600	200	0
Service-producing	101,600	100,200	100,300	1,400	1,300
Transportation	12,100	11,500	11,900	600	200
Communications	2,100	2,100	2,100	0	0
Trade	25,800	25,100	25,800	700	0
Wholesale Trade	5,800	5,700	5,700	100	100
Retail Trade	20,000	19,400	20,100	600	-100
Food Stores	3,400	3,300	3,300	100	100
Finance-Ins. & Real Estate	6,800	6,700	6,600	100	200
Services & Misc.	29,100	28,700	28,800	400	300
Hotels & Lodging Places	2,300	2,300	2,300	0	0
Health Services	6,000	6,000	5,900	0	100
Government	27,800	28,200	27,200	-400	600
Federal	10,900	10,700	10,600	200	300
State	7,500	8,300	7,700	-800	-200
Local	9,400	9,200	8,900	200	500

Table • 2

Nonagricultural Wage and Salary Employment By Place of Work

Southeast Region

	Changes from:				
	p/ 5/92	r/ 4/92	5/91	4/92	5/91
Total Nonag. Wage & Salary	34,200	32,800	34,500	1,400	-300
Goods-producing	6,100	5,400	6,650	700	-550
Mining	350	350	350	0	0
Construction	1,250	1,100	1,250	150	0
Manufacturing	4,500	3,950	5,050	550	-550
Durable Goods	2,050	1,950	2,400	100	-350
Lumber & Woods Products	1,950	1,850	2,300	100	-350
Nondurable Goods	2,450	2,000	2,650	450	-200
Seafood Processing	1,350	950	1,600	400	-250
Pulp Mills	900	850	900	50	0
Service-producing	28,100	27,400	27,850	700	250
Transportation	2,650	2,500	2,700	150	-50
Trade	5,900	5,550	5,650	350	250
Wholesale Trade	600	550	550	50	50
Retail Trade	5,300	5,000	5,100	300	200
Finance-Ins. & Real Estate	1,150	1,100	1,200	50	-50
Services & Misc.	5,850	5,400	5,750	450	100
Government	12,550	12,850	12,550	-300	0
Federal	2,100	2,000	2,050	100	50
State	5,500	5,700	5,650	-200	-150
Local	4,950	5,150	4,850	-200	100

Fairbanks North Star Borough

	Changes from:				
	p/ 5/92	r/ 4/92	5/91	4/92	5/91
Total Nonag. Wage & Salary	29,300	28,150	27,800	1,150	1,500
Goods-producing	2,200	1,850	2,150	350	50
Mining	200	200	200	0	0
Construction	1,350	1,050	1,300	300	50
Manufacturing	650	600	650	50	0
Service-producing	27,100	26,300	25,650	800	1,450
Transportation	2,100	2,000	1,950	100	150
Trucking & Warehousing	500	450	450	50	50
Air Transportation	500	500	500	0	0
Communication	300	300	300	0	0
Trade	6,950	6,400	6,600	550	350
Wholesale Trade	800	750	800	50	0
Retail Trade	6,150	5,650	5,800	500	350
Gen. Merch. & Apparel	1,000	1,000	550	0	450
Food Stores	800	800	800	0	0
Eating & Drinking Places	2,500	2,000	2,550	500	-50
Finance-Ins. & Real Estate	1,000	1,000	950	0	50
Services & Misc.	6,250	6,000	6,250	250	0
Government	10,800	10,900	9,900	-100	900
Federal	3,300	3,200	3,300	100	0
State	4,450	4,750	3,700	-300	750
Local	3,050	2,950	2,900	100	150

Anchorage-MatSu Region

	Changes from:				
	p/ 5/92	r/ 4/92	5/91	4/92	5/91
Total Nonag. Wage & Salary	121,300	118,750	120,600	2,550	700
Goods-producing	12,350	11,150	12,900	1,200	-550
Mining	3,550	3,650	4,200	-100	-650
Construction	6,100	5,000	6,000	1,100	100
Manufacturing	2,700	2,500	2,700	200	0
Service-producing	108,950	107,600	107,700	1,350	1,250
Transportation	12,900	12,200	12,750	700	150
Trade	27,750	27,050	27,750	700	0
Finance-Ins. & Real Estate	7,100	7,000	6,950	100	150
Service & Misc.	30,650	30,250	30,400	400	250
Government	30,550	31,100	29,850	-550	700
Federal	10,950	10,850	10,700	100	250
State	8,300	9,150	8,450	-850	-150
Local	11,300	11,100	10,700	200	600

Interior Region

	Changes from:				
	p/ 5/92	r/ 4/92	5/91	4/92	5/91
Total Nonag. Wage & Salary	33,700	32,000	31,900	1,700	1,800
Goods-producing	2,500	2,050	2,400	450	100
Mining	450	400	400	50	50
Construction	1,400	1,050	1,350	350	50
Manufacturing	650	600	650	50	0
Service-producing	31,200	29,950	29,500	1,250	1,700
Transportation	2,350	2,250	2,200	100	150
Trade	7,350	6,750	6,950	600	400
Finance-Ins. & Real Estate	1,050	1,050	1,050	0	0
Services & Misc.	6,950	6,450	6,950	500	0
Government	13,500	13,450	12,350	50	1,150
Federal	4,050	3,850	4,000	200	50
State	4,750	5,050	4,000	-300	750
Local	4,700	4,550	4,350	150	350

Table • 2

Nonagricultural Wage and Salary Employment By Place of Work

Northern Region

	Changes from:				
	p/ 5/92	r/ 4/92	5/91	4/92	5/91
Total Nonag. Wage & Salary	14,600	14,750	15,350	-150	-750
Goods-producing	5,650	5,800	6,450	-150	-800
Mining	5,100	5,250	5,900	-150	-800
Service-producing	8,950	8,950	8,900	0	50
Government	4,450	4,500	4,450	-50	0
Federal	300	250	300	50	0
State	350	350	350	0	0
Local	3,800	3,900	3,800	-100	0

Gulf Coast Region

	Changes from:				
	p/ 5/92	r/ 4/92	5/91	4/92	5/91
Total Nonag. Wage & Salary	25,450	24,100	25,750	1,350	-300
Goods-producing	7,000	6,500	7,400	500	-400
Mining	1,100	1,100	1,200	0	-100
Construction	1,000	900	1,000	100	0
Manufacturing	4,900	4,500	5,200	400	-300
Seafood Processing	4,000	3,650	4,150	350	-150
Service-producing	18,450	17,600	18,350	850	100
Transportation	2,100	2,000	2,150	100	-50
Trade	4,600	4,300	4,300	300	300
Wholesale Trade	500	450	500	50	0
Retail Trade	4,100	3,850	3,800	250	300
Finance-Ins. & Real Estate	650	600	650	50	0
Services & Misc.	4,950	4,550	4,900	400	50
Government	6,150	6,150	6,350	0	-200
Federal	550	500	600	50	-50
State	1,750	1,850	1,850	-100	-100
Local	3,850	3,800	3,900	50	-50

Southwest Region

	Changes from:				
	p/ 5/92	r/ 4/92	5/91	4/92	5/91
Total Nonag. Wage & Salary	18,000	17,550	17,900	450	100
Goods-producing	5,950	5,850	6,150	100	-200
Seafood Processing	5,650	5,600	5,800	50	-150
Service-producing	12,050	11,700	11,750	350	300
Government	6,750	6,600	6,600	150	150
Federal	1,400	1,350	1,350	50	50
State	500	550	550	-50	-50
Local	4,850	4,700	4,700	150	150

Municipality of Anchorage — Other

	Changes from:				
	p/ 5/92	r/ 4/92	5/91	4/92	5/91
Durable Goods	500	400	500	100	0
Nondurable Goods	1,900	1,900	1,900	0	0
Trucking & Warehousing	1,700	1,700	1,600	0	100
Water Transportation	300	300	300	0	0
Air Transportation	4,300	4,300	4,100	0	200
Gen Merch & Apparel	3,000	3,000	2,900	0	100
Eating & Drinking Places	7,300	6,900	7,400	400	-100

Notes: Prepared in part with funding from the Alaska State Employment Security Division.
Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear here are definitionally different from those that appear in the Labor Force table.

Benchmark: March 1991
p/ denotes preliminary estimates
r/ denotes revised estimates

Source: Alaska Department of Labor, Research & Analysis Section.

continued from page 11

industry. Shore-side allocations, by-catch problems with other species, dwindling stocks and closures to protect marine mammals were all reasons cited by the processor to diversify into the salmon market.

Air transportation growth abating

Another source of growth for Alaska's economy during the past several years has been the air transportation industry. The May pullout of MarkAir from Southeast Alaska and the subsequent consolidation of MarkAir and MarkAir Express cost the state some job growth in the transportation industry. Air transportation employment is still above year ago levels but that could change in June. Since the pullout and consolidation came in mid-May the full effects won't be seen in the employment statistics until the June numbers are released. In another industry development, Delta Airlines announced that it will be suspending service to Juneau in early September until the spring of 1993. While the current outlook for the passenger portion of the industry is dim, the cargo market continues to flourish. Alaska Airlines looks as if they will go ahead with a new facility planned for Anchorage International Airport.

Times closure a blow to manufacturing growth

May marked the demise of one of Alaska's larger employers as the Anchorage Times announced that it would be shutting down. Just like the MarkAir layoffs, the employment statistics won't show the 400 jobs that were lost in the closure until June. Some of those who lost jobs will be absorbed by the Anchorage Daily News. The combined job loss at MarkAir and the Anchorage Times may be enough to pull Anchorage employment to the negative side of the ledger for the first time in several years. The Times closure will also retard the forecasted employment growth for manufacturing in 1992 and 1993. The loss of one of Alaska's largest non-seafood manufacturers wasn't factored into the job growth projections made in the May issue of *Trends*. Alaska's manufacturing industry will be even more dependent upon the seafood industry to create new manufacturing job opportunities during the next two years.

Tourism, construction seasons begin on healthy note

May is the unofficial beginning of Alaska's summer tourist season, and if employment in tourist-related

businesses is a good indicator of the strength of the season-this year started out as another banner one for the visitor industry. Employment was up sharply in hotels, tour companies, and restaurants which are just a few of the businesses affected by the tourist trade.

Another bright spot in May was Alaska's construction industry, which added nearly 2,000 jobs compared to April. Highway and street construction projects were responsible for a good deal of the May job growth. The outlook for highway and street construction work looks good since federal highway dollars coming into Alaska are expected to grow 46% over the next six years.

Yet another positive sign for Alaska's economy has been sustained oil prices of over \$20/barrel. This has helped keep the average oil price during the state's recently concluded 1992 fiscal year above the most optimistic administration forecast. Any surplus that might be carried over into the 1993 fiscal year could help ease the budget crunches occurring in state agencies and local governments throughout the state. Even with this relief, layoffs at all levels of state and local government appear to be a certainty during the next fiscal year.

May stats provided mixed signals

Alaska's employment and unemployment statistics provided mixed news in May. Wage and salary employment posted a 7,000 gain; but it wasn't enough to keep the statewide unemployment rate from increasing from 9.2% to 9.3%.

While they didn't have a big impact on May statistics, the news of MarkAir's retrenchment and the closure of the Anchorage Times were both negative news for Alaska's economy. The cumulative effect of these events may push Anchorage employment below year-ago levels during the coming months.

On the positive side, Alaska's salmon fishing season looks like it will be a dramatic improvement over last year. The tourism season started off on a positive note and construction employment is rebounding on the strength of highway and street work. Higher oil prices have also brightened the state and local government revenue picture somewhat, but layoffs appear inevitable when the new fiscal year begins in July.

Overall, Alaska's economy in May could best be characterized by sluggish growth. And that more or less lives up to what was expected of the Alaskan economy during 1992.

Alaska Hours and Earnings for Selected Industries

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	p/ 5/92	r/ 4/92	5/91	p/ 5/92	r/ 4/92	5/91	p/ 5/92	r/ 4/92	5/91
Mining	\$1,154.97	\$1,197.89	\$1,134.84	49.4	51.5	49.0	\$23.38	\$23.26	\$23.16
Construction	1,052.88	1,032.51	1,058.59	43.4	44.2	44.2	24.26	23.36	23.95
Manufacturing	460.14	442.80	520.36	38.7	40.0	42.1	11.89	11.07	12.36
Seafood Processing	322.90	337.02	403.01	37.2	41.0	42.2	8.68	8.22	9.55
Trans., Comm. & Utilities	588.57	630.66	592.71	34.1	34.5	34.4	17.26	18.28	17.23
Trade	339.43	347.87	361.07	31.4	32.3	32.5	10.81	10.77	11.11
Wholesale	570.19	562.49	576.97	38.5	38.5	39.6	14.81	14.61	14.57
Retail	292.72	305.04	319.80	29.9	31.0	31.2	9.79	9.84	10.25
Finance-Ins. & R.E.	431.60	426.62	388.11	34.5	34.6	33.4	12.51	12.33	11.62

Notes:

p/ denotes preliminary estimates

r/ denotes revised estimates
Benchmark: March 1991

Averages are based on data for full- and part-time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

Source: Alaska Department of Labor, Research & Analysis Section.

Next Month:

Economists Neal Fried and Holly Stinson examine the Prince William Sound's economy, including the aftereffects of the *Exxon Valdez* oil spill.

Table • 4

Labor Force By Region and Census Area

	Labor Force			Unemployment			Rate %			Employment		
	p/ 5/92	r/ 4/92	5/91	p/ 5/92	r/ 4/92	5/91	p/ 5/92	r/ 4/92	5/91	p/ 5/92	r/ 4/92	5/91
Alaska Statewide	261,475	255,229	260,138	24,208	23,473	21,398	9.3	9.2	8.2	237,267	231,756	238,740
Anch.-MatSu Region	133,656	131,678	133,246	11,155	10,858	9,682	8.3	8.2	7.3	122,501	120,820	123,564
Munic. of Anchorage	116,293	114,903	116,198	8,560	8,355	7,504	7.4	7.3	6.5	107,733	106,548	108,694
MatSu Borough	17,363	16,775	17,048	2,595	2,503	2,178	14.9	14.9	12.8	14,768	14,272	14,870
Gulf Coast Region	31,894	30,450	31,876	4,107	3,973	3,444	12.9	13.0	10.8	27,787	26,477	28,432
Kenai Peninsula Borough	19,664	19,076	19,593	2,638	2,853	2,172	13.4	15.0	11.1	17,026	16,223	17,421
Kodiak Island Borough	7,469	6,765	7,483	982	583	845	13.1	8.6	11.3	6,487	6,182	6,638
Valdez-Cordova	4,761	4,609	4,800	487	537	427	10.2	11.7	8.9	4,274	4,072	4,373
Interior Region	37,412	35,831	35,595	4,153	3,976	3,918	11.1	11.1	11.0	33,259	31,855	31,677
Fairbanks North Star Bor.	32,310	30,926	30,719	3,472	3,305	3,252	10.7	10.7	10.6	28,838	27,621	27,467
Southeast Fairbank	2,152	2,112	2,013	309	347	258	14.4	16.4	12.8	1,843	1,765	1,755
Yukon-Koyukuk	2,950	2,793	2,863	372	324	408	12.6	11.6	14.3	2,578	2,469	2,455
Northern Region	8,303	8,373	8,569	992	911	887	11.9	10.9	10.4	7,311	7,462	7,682
Nome	3,094	3,143	3,202	419	413	392	13.5	13.1	12.2	2,675	2,730	2,810
North Slope Borough	2,906	2,947	3,035	141	125	129	4.9	4.2	4.3	2,765	2,822	2,906
Northwest Arctic Borough	2,303	2,283	2,332	432	373	366	18.8	16.3	15.7	1,871	1,910	1,966
Southeast Region	35,407	34,408	36,103	2,812	2,840	2,587	7.9	8.3	7.2	32,595	31,568	33,516
Haines Borough	913	889	943	138	138	146	15.1	15.5	15.5	775	751	797
Juneau Borough	15,652	15,170	15,913	912	895	756	5.8	5.9	4.8	14,740	14,275	15,157
Ketchikan Gateway Bor.	6,672	6,477	6,830	632	627	619	9.5	9.7	9.1	6,040	5,850	6,211
Pr. of Wales-Outer Ketch.	2,748	2,621	2,828	344	293	356	12.5	11.2	12.6	2,404	2,328	2,472
Sitka Borough	4,112	3,971	4,127	272	252	179	6.6	6.3	4.3	3,840	3,719	3,948
Skagway-Yakutat-Angoon	1,743	1,725	1,762	242	271	219	13.9	15.7	12.4	1,501	1,454	1,543
Wrangell-Petersburg	3,567	3,555	3,700	272	364	312	7.6	10.2	8.4	3,295	3,191	3,388
Southwest Region	14,803	14,489	14,749	989	915	880	6.7	6.3	6.0	13,814	13,574	13,869
Aleutians East Borough	1,056	1,024	1,044	45	30	29	4.3	2.9	2.8	1,011	994	1,015
Aleutians West	2,893	2,822	2,895	60	38	51	2.1	1.3	1.8	2,833	2,784	2,844
Bethel	5,707	5,602	5,681	471	457	424	8.3	8.2	7.5	5,236	5,145	5,257
Bristol Bay Borough	559	565	547	25	40	11	4.5	7.1	2.0	534	525	536
Dillingham	2,686	2,649	2,636	185	191	125	6.9	7.2	4.7	2,501	2,458	2,511
Wade Hampton	1,902	1,827	1,946	203	159	240	10.7	8.7	12.3	1,699	1,668	1,706

Notes: p/ denotes preliminary estimates

r/ denotes revised estimates

Benchmark: March 1991

- Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey in formulas used to allocate federal funds.
- Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor.
- The official definition of unemployment currently in place excludes anyone who has made no attempt to find work in the four-week period up to and including the week that includes the 12th of each month. Most Alaska economists believe that Alaska's rural localities have proportionately more of these discouraged workers.
- he employment numbers that appear above are definitionally different from those that appear in the Nonagricultural Wage & Salary Employment tables.

Source: Alaska Department of Labor, Research & Analysis Section.

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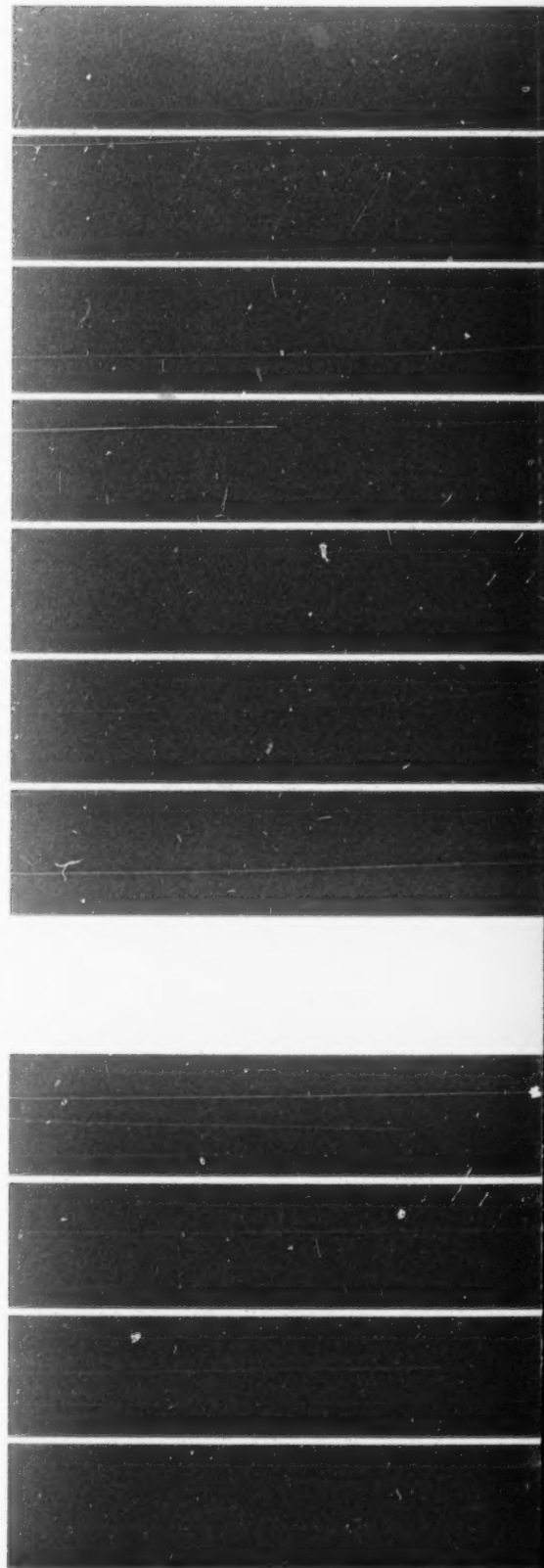
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ALASKA ECONOMIC TRENDS



AK'S ECONOMY IS AT
A VIRTUAL STANDSTILL

September 1992

**A LOOK AT TODAY'S ECONOMIES
IN PRINCE WILLIAM SOUND**

**ALASKA DEPARTMENT OF LABOR
WALTER J. HICKEL, GOVERNOR**

ALASKA ECONOMIC
TRENDS

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**September 1992
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**Alaska State
Employment Service**



**UNEMPLOYMENT
INSURANCE**
maintaining the foundation of economic security

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A Look At Today's Economies In Prince William Sound

By Neal Fried and Holly Stinson

In 1989, one of the worst oil spills in history occurred in Prince William Sound. While the world watched, the stricken communities marshalled all of their resources for the cleanup effort. Overnight, the economies in the region transformed in response to the oil spill.

The economic consequences of the spill varied from community to community. Valdez became a boom town over night. Cordova appeared deserted when many of its citizens enlisted in the cleanup effort. As a result of the spill cleanup, employment and income reached record highs and unemployment hit new lows in the area. (See Figure 1.) Most of these economic impacts, however, were temporary.¹

This article looks at whether the economies of the communities on Prince William Sound have returned to "normal". Are the economies of these communities larger or smaller than before the oil spill? Are their economies different in the 1990s?

Prince William Sound communities—mixed economy

The five communities on Prince William Sound have more differences than similarities. The fishery, whether for subsistence, commercial or sport, is about the only thing they have in common. The diverse Valdez economy, with a strong oil industry base, is quite different from Cordova's fishing-based economy. Whittier's economic existence is tied to its role as a gateway to the Sound. The subsistence communities of Chenega and Tatitlek are distinctly different from the rest. Because of these differences, the direction these economies have taken since the oil spill are dissimilar.

Valdez—economy larger now than before the spill

Of all the communities on the Sound, Valdez is the most economically diverse. Its role as the terminus of the trans-Alaska Pipeline dominates its economy. Alyeska Pipeline Service Company, the pipeline operator, is the single largest employer in Valdez, and accounts for 90% of the city's local tax base. Other important economic contributors are thriving visitor and fishing industries, and a sizeable public sector. The deep water port in Valdez also serves as a shipment point for goods into the Interior. Because of the variety of industries in Valdez, its economy is far less seasonal than other communities in the Sound.

The economy in Valdez today is significantly larger than before the spill. Although the wage and salary work force peaked at 2,887 in 1989, it remains 20% larger

Neal Fried & Holly Stinson are labor economists with the Alaska Department of Labor, Research & Analysis Section. They are based in Anchorage.

Note:
¹ The period of the spill was well documented, including an article in the July 1989 issue of *Alaska Economic Trends*.

Prince William Sound Employment Spiked in 1989

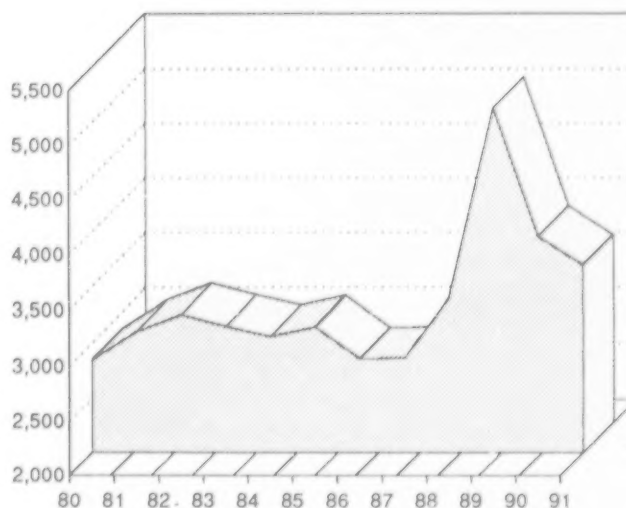


Figure • 1

Source: Alaska Department of Labor, Research & Analysis Section

Table • 1

Valdez Wage and Salary Employment 1980-1991

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
Nonag. Wage & Salary	1,746	1,848	1,884	1,822	1,906	1,850	1,696	1,712	1,789	2,887	2,200	2,146
Mining	*	*	0	0	0	0	0	0	0	0	0	0
Construction	226	196	181	116	153	112	59	39	38	23	26	34
Manufacturing	*	*	70	85	155	171	186	200	206	261	247	288
Trans. Comm. & Utilities	449	488	504	481	456	416	373	374	388	1,129	563	655
Trade	105	135	146	157	161	155	121	144	175	237	265	228
Finance-Insurance & Real Estate	36	28	23	20	22	20	20	18	15	24	30	32
Services & Miscellaneous	242	207	257	218	233	251	253	264	294	462	346	306
Government	680	698	704	745	730	725	686	674	673	751	749	604
Federal	18	17	20	15	17	15	14	16	17	18	17	16
State	404	404	392	403	413	399	386	371	377	448	422	284
Local	259	277	292	327	300	311	286	288	280	285	310	304

* Nondisclosable

Source: Alaska Department of Labor, Research and Analysis Section.

than in 1988. (See Table 1.) Openings at the Alaska Department of Labor's local Employment Service office also remain above pre-spill levels. (See Figure 2.)

A significant amount of growth came from Alyeska Pipeline's expanded work force. Establishing the Ship

Escort Response Vessel System in Valdez created 75 high-paying, year-round jobs. Most of this growth shows up in the transportation, communication and utilities industry in Table 1.

Expansion of the fishing industry has bolstered the Valdez economy. Fishing is a relative newcomer. In 1979 there weren't any fish processing plants operating in Valdez; today there are three. Road and air access, labor availability, and a dramatic increase in the Sound's salmon fishery made Valdez a good candidate for this expansion. Fish processing employment grew 63% since 1988 as salmon and herring catches increased. Its resident fishing fleet, however, remains small. In 1991 only 33 out of 435 permits fished by people claiming residence in Prince William Sound called Valdez home. (See Table 2.)

The growth at Alyeska Pipeline Service Company and in the fishing industry spurred some growth in the trade sector. However, some of the growth in retail trade comes from a thriving visitor industry.

Figure • 2

Valdez Employment Service Second Quarter Job Openings

Source: Alaska Department of Labor, Research & Analysis Section.

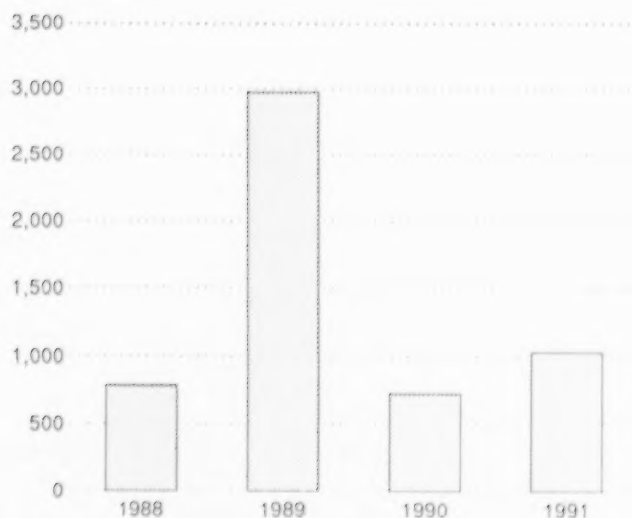


Table • 2

Number of Permits Fished by Prince William Sound Residents

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	*1991
Cordova	418	430	430	465	406	398	392	395	411	309	412	389
Valdez	53	61	58	55	55	60	57	66	55	30	54	33
Chenega Bay	0	0	0	0	0	0	0	1	1	1	3	1
Tatitlek	9	8	9	8	10	9	8	11	11	8	6	2
Whittier	5	11	12	18	16	8	13	13	16	9	14	10
Total	485	510	509	546	487	475	470	486	494	357	489	435

Valdez is one of the top ten tourist destinations in the state. It is geographically well situated to take advantage of the visitor industry. Valdez provides the only road access to Prince William Sound. Unlike so much of the state, the tourist trade in Valdez depends more on independent travellers than it does from the organized

es for recreation vehicles is greater than in 1989. This year a record number of visitors are expected because of the 50th anniversary celebration of the Alaska Highway.

*1991 figures are preliminary

Source: Alaska Commercial Fisheries Entry Commission

tour trade. Valdez is a popular destination for the Southcentral tourist market via the ferry from Whittier. A growing number of Prince William Sound tour charters are operating out of the city harbor. More recreational boaters are using Valdez to access Prince William Sound. Valdez is also a destination for cruise ships -- 38 are expected to dock there this year.

Although no new hotels have been built in Valdez in recent years, bed capacity has increased. In 1989 a bed and breakfast industry flourished in response to the severe housing crunch brought on by the spill. (See Figure 3.) Although their numbers have dropped since 1989, there are still more now than in pre-spill years. Bed taxes collected by the city have grown each year. The number of spac-

Bed & Breakfast Accommodations
Fluctuate in Valdez

Figure • 3

Source: City of Valdez

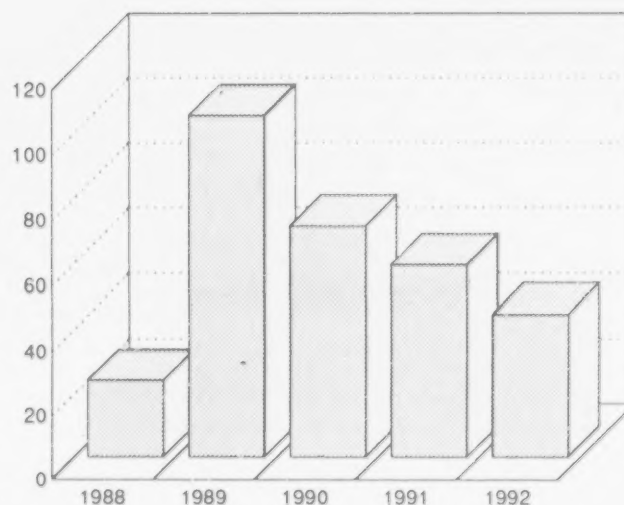


Table • 3

A Portrait of Prince William Sound Communities (From the 1990 census)

	Chenega Bay	Cordova	Eyak*	Tatitlek	Valdez	Whittier	Alaska
Population in 1990	94	2,110	172	119	4,068	243	550,043
Percent female	44.7	45.5	48.3	52.9	44.9	42.8	47.3
Percent Native	69.1	11.2	7.6	86.6	5.9	12.3	15.6
Percent White	30.9	79.5	90.7	13.4	88.7	80.7	75.5
Percent Other	0.0	9.2	1.7	0.0	5.4	7.0	8.9
Percent under 18 years	38.3	26.8	37.2	37.8	28.7	22.6	31.3
Median age	25.0	31.6	30.5	27.5	31.4	32.4	29.4
Persons per household	3.03	2.61	3.13	3.61	2.90	2.16	2.80
Percent born in Alaska	66.0	37.9	36.8	90.1	31.0	34.4	35.6
Percent of labor force unemployed	14.3	3.1	4.3	—	8.7	8.5	8.8
Per capita income in 1989	\$9,211	\$23,408	\$63,913	\$8,674	\$26,968	\$17,032	\$17,610
Median household income in 1989	\$22,083	\$46,304	\$150,000+	\$27,188	\$68,570	\$33,636	\$41,408
Percent below poverty level	26.6	4.8	—	19.8	5.1	13.1	9.0
Percent with high school or higher education	58.5	85.3	85.4	68.2	84.8	80.0	86.6

*While the U.S. Bureau of the Census considers Eyak a Census Designated Place and presents the figures separately Eyak is actually located adjacent to Cordova.

Source: U.S. Bureau of the Census.

Population growth and a healthy income picture in Valdez also helped boost the retail trade sector. A newly expanded Eagle grocery store, which opened in 1991, is one testament to its healthy retail market. According to the 1990 census, household income in Valdez was 66% above the statewide average in 1989. (See Table 3.) Earnings from oil spill cleanup work distort these income figures somewhat, but income in Valdez has been far above the statewide average in other years.

Another source of post-spill economic growth is the financial windfall many enjoyed from oil spill cleanup work. This windfall was an infusion of new capital into the local economy. Some residents used their earnings to expand their businesses or establish new ones. To what degree this happened is not readily known. We do know, however, that personal income in the Valdez-Cordova census area increased by \$46 million in 1989—the single largest annual increase since personal income has been tracked.

In Valdez, not all sectors have grown; the sizeable public sector has lost some ground. Some of these losses resulted from the demobilization of the oil spill cleanup. For example, the Department of Environmental Conservation based many personnel there during the spill cleanup phase; now most of these positions are gone. Some losses have also come from positions lost at the regional highway office and Harborview, an institution for persons with developmental disabilities.

The immediate outlook for the Valdez economy is relatively good. The fishing and tourist industries are thriving. Petro Star is building a small refinery in Valdez to provide jet, marine and heating fuel. Although it will be a small employer (about 25 jobs) it adds another dimension to the Valdez economy.

Nonetheless, in the longer run Valdez has an Achilles heel—its economic dependence on the pipeline terminal. It will remain the economic mainstay for many years to come. As the volume going through the terminal declines and the facility ages, it will become a less valuable asset. This means it will contribute less to the Valdez tax base. For example, its valuation for tax purposes in 1992 fell by \$78 million. Declining oil production also means Alyeska Pipeline Service Company will eventually pare down its work force. The biggest challenge Valdez faces will be finding a way to replace these losses.

Cordova—fickle fishery affects economy

Cordova has had a different post-spill economic experience than Valdez. Its level of economic activity has returned to pre-spill levels. (See Table 4.) The economic destiny of Cordova is almost entirely tied to the vagaries of the commercial fisheries, specifically the salmon and herring fisheries which account for more than 90% of the total fishery value in Prince William Sound. Of the 435 permits fished in 1991 by residents of Prince William Sound, 389 were from Cordova. Tourism, logging

Cordova Wage & Salary Employment 1980-1991

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
Nonag. Wage & Salary	905	1,084	1,076	1,108	952	1,107	909	918	1,154	1,301	1,321	1,223
Construction	17	22	30	26	34	37	25	14	19	29	51	32
Manufacturing	271	351	253	293	188	345	269	256	445	329	361	298
Trans. Comm. & Util.	37	81	88	93	89	78	70	79	83	197	96	92
Trade	140	143	207	194	173	194	174	181	171	178	190	173
Finance-Ins. & R.E.	25	26	24	23	23	25	25	26	24	24	24	25
Services	111	104	122	124	113	102	103	96	112	120	127	113
Miscellaneous	22	50	38	37	28	27	34	44	67	92	101	98
Government	282	308	316	319	305	300	291	282	302	335	372	394
Federal	35	42	37	34	32	30	30	31	38	40	49	51
State	81	87	87	88	92	96	96	89	90	112	121	128
Local	167	179	192	197	181	174	166	162	174	184	202	215

and public sector activity provide additional economic support.

The Cordova economy got off to a good start in 1990. After major spill-related interruptions to the fishery in 1989, the 1990 catch was the second largest on record (although its value was about average). Some of the growth in Cordova in 1990 was also related to the extra income earned from spill cleanup activity and spent in 1990. Employment grew, as did city sales tax collections, raw fish tax receipts and ferry traffic. All indications were that the economy was on track and returning to normal levels.

In 1991 the economic picture changed. The salmon catch was healthy—the largest in the Sound's history. Prices, however, reached new lows. In spite of this record catch the estimated earnings for Cordova fishermen fell to \$21 million, the lowest figure since 1983. (See Table 5.) The combined herring and salmon harvest in the Sound was valued at \$40.7 million. (See Table 6.) This was less valuable than the 1989 harvest, when no herring were harvested because of the oil spill. To make things worse, two out of the city's five processors closed their doors in 1991. Although no income figures for 1991 are available, income also surely fell sharply; sales and raw fish tax receipts fell. Because of these losses and a costly lawsuit, the city was forced to cut back services.

This year an improved picture is developing. The herring harvest in the Sound set a new record. In metric tons it was nearly twice as large as in 1991. Salmon prices have also improved immensely this year—nearly double last year's prices. The primary salmon fishing season has not yet begun, so harvest levels are unknown.

Tourism and logging activity augment the economy. At the present time both are small contributors. There is potential for growth in both these industries. Limited access hampers tourism growth in Cordova since the only way to get there is by air or water. Some residents pin hopes on the possibility of a new road which would connect Cordova to the state road system. They believe it will expand tourism activity and possibly lead to the development of other industries. Other residents oppose the idea. Nevertheless, there is little doubt that fishing will continue to dominate the economy in Cordova into the foreseeable future.

Chenega and Tatitlek— not yet recovered

It is more difficult to measure the economic well being of Chenega and Tatitlek using traditional economic measures because subsistence harvesting is such an important ingredient in their economies. From traditional economic measures neither community is very prosperous. Little or no economic infrastructure exists in either community. Job opportunities are scarce. The opportunities that do exist are in the public sector or fishing-related. Even these jobs are usually seasonal. According to an Alaska Department of Fish and Game survey, only 18% of the adults in Chenega were employed year-round.²

The lack of employment opportunities is reflected in the income of the residents which is low by any measure. In 1989, household income in both communities was only a little more than half that of Valdez or Cordova. (See Table 3.) These income figures are probably higher than usual because they include oil spill income. According to the 1990 census the number of residents living below the poverty level was greater than 25% in Chenega and 20% in Tatitlek.

Source: Alaska Department of Labor, Research & Analysis Section.

Note:
² Alaska Department of Fish and Game, Subsistence Division, *Subsistence Harvests and Uses in Seven Gulf of Alaska Communities in the Second Year Following the Exxon Valdez Oil Spill* March 15, 1992.

T a b l e • 5

**Estimated Earnings from Fish Harvesting Statewide
by Prince William Sound Residents (in thousands of dollars)**

	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	*1991
Cordova	35,949	25,803	16,322	22,108	27,716	22,825	42,577	41,500	29,949	31,637	21,859
Valdez	2,393	1,811	1,262	1,008	2,099	1,973	3,920	2,710	1,436	1,959	888
Chenega Bay	—	—	—	—	—	—	**	**	**	**	**
Tatitlek	901	392	166	281	367	270	681	514	196	304	**
Whittier	128	134	174	150	244	234	247	222	42	126	82
Total	39,370	28,140	17,924	23,547	30,426	25,302	47,425	44,946	31,623	34,027	22,829

*1991 figures are preliminary

**Nondisclosable

Note: Chenega Bay was established in 1984.

Source: Alaska Commercial Fisheries Entry Commission

Commercial fishing provides one important source of cash income for these two communities. Although there were only a small number of fishing permits issued to residents of either of these communities, both benefit from the commercial fishery. As elsewhere in the Sound, earnings from the commercial harvest suffered in 1991.

The subsistence economy in both Chenega and Tatitlek declined quite dramatically since 1989, according to surveys conducted by the Alaska Department of Fish and Game. The subsistence harvest in Chenega in 1990 and 1991 was less than half that of pre-spill years. (See Figure 4.) Fewer residents made efforts to harvest wild game and fewer species of game were harvested than in the pre-spill years. The pattern for Tatitlek was similar to Chenega. The residents of these two communities are still concerned about oil contamination and report large declines in the populations of some of their subsistence foods.

On the positive side both communities are developing an aquaculture industry farming oysters. Tatitlek is ready to harvest their first crop of oysters this summer, which grew more quickly than expected. They anticipate these oysters will fetch premium prices. In Chenega the first harvest will come somewhat later. This industry could provide both jobs and income to communities where both are in short supply.

Whittier—gateway to Prince William Sound

Whittier, with a 1990 census population of 243, is the only community on Prince William Sound accessible by railroad. Some retirees choose to live in Whittier, possibly because of the relatively low cost of housing. Others own a condominium there but use it as a base for

weekend excursions into the Sound. Of the 126 employed residents counted in the 1990 census, forty-eight worked in the public sector—mostly for the local school district or the Alaska Railroad. Whittier's harbor generates many of the private sector jobs.

Whittier was probably the Prince William Sound community least affected by the oil spill. Economic indicators for Whittier are scarce, making post-spill trends difficult to measure. Whittier is a major transportation link and gateway to the Sound. Its economy benefits from the growing number of visitors to the Sound. According to the Alaska Railroad, passenger counts have increased substantially during the past two years. (See Figure 5.) In the near future, visitors to Whittier could increase dramatically if a plan to provide road access becomes reality.

Summary

The economies of Prince William Sound communities are more different than they are alike. This diversity meant the post-spill economic trends of these communities have also been distinct. The Valdez economy, for instance, is larger than it was in pre-spill years. Some of its growth has come from the build-up of an oil spill response system. Expansion of the pipeline terminal has also contributed to its growth. Another strength is the diversity of its economy. Both the fishing and visitor industries lent a hand in its post-spill growth. Despite recent robustness, its economy is vulnerable for the same reason the state's economy is—declining oil production.

On the other hand, the fate of the Cordova economy will have little to do with oil production. Instead, the health of the Sound's fishery harvest will guide its future. The

Commercial Fish Harvest in Prince William Sound
(number of fish and ex-vessel value in thousands)

	Herring (catch in metric tons)	Chinook (king)	Sockeye (red)	Coho (silver)	Pink (humpy)	Chum (dog)	Salmon Total
1985 catch	8,283	44	1,450	1,025	25,129	1,297	28,945
Value	\$5,800						\$48,467
1986 catch	11,318	42	1,289	426	11,391	1,700	14,848
Value	\$8,400						\$29,400
1987 catch	7,407	42	1,738	175	29,230	1,919	33,104
Value	\$6,200						\$67,500
1988 catch	11,923	32	768	478	11,736	1,841	14,855
Value	\$12,250						\$70,640
1989 catch	closed due to	32	1,175	425	21,886	1,002	24,520
Value	oil spill						\$43,000
1990 catch	8,190	22	912	524	44,165	967	46,590
Value	\$8,010						\$68,000
1991 catch	11,734	35	1,740	632	37,300	373	40,080
Value	\$10,672						\$30,000
1992 catch (projected)	15,547	41	1,663	758	28,040	1,500	32,002

*Source: Alaska Department of
Fish and Game.*

oil spill was a reminder of how singularly dependent Cordova is on this resource. Since the oil spill, the economic performance in Cordova has been mixed. The size of its economy has remained almost unchanged from pre-spill years. The transportation-based economy of Whittier appears to be benefitting from a growing visitor industry in the Sound.

The subsistence economies of Chenega and Tatitlek have not fared as well as the rest of the Sound's communities. Since the oil spill, a substantial decline in their subsistence harvest has been recorded. Few sources of cash income exist for these two communities. There is hope that additional sources of economic support can be developed in these communities.

Figure • 4

Pre- & Post-Spill Subsistence Harvest

Source: Alaska Department of Fish & Game

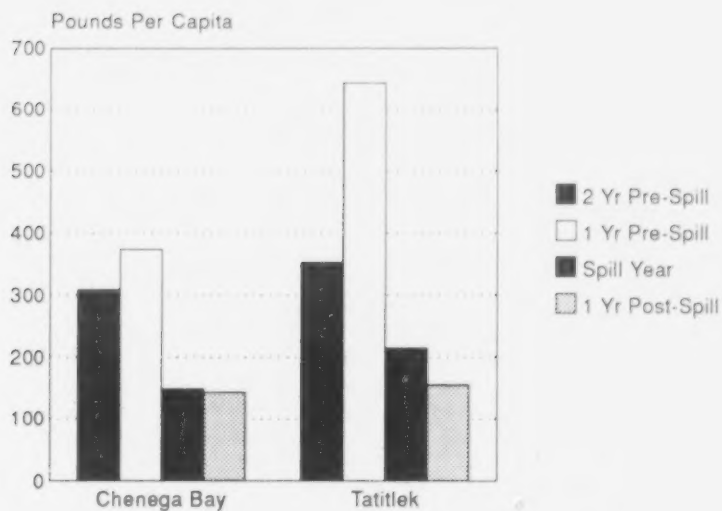
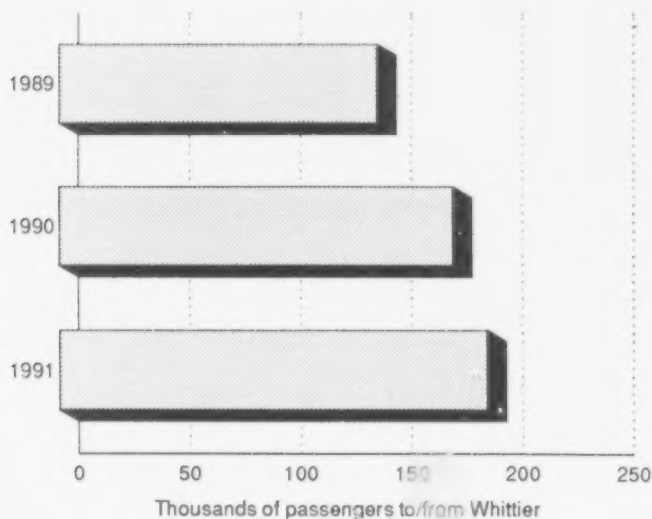


Figure • 5

More People Travel To Prince William Sound by Rail

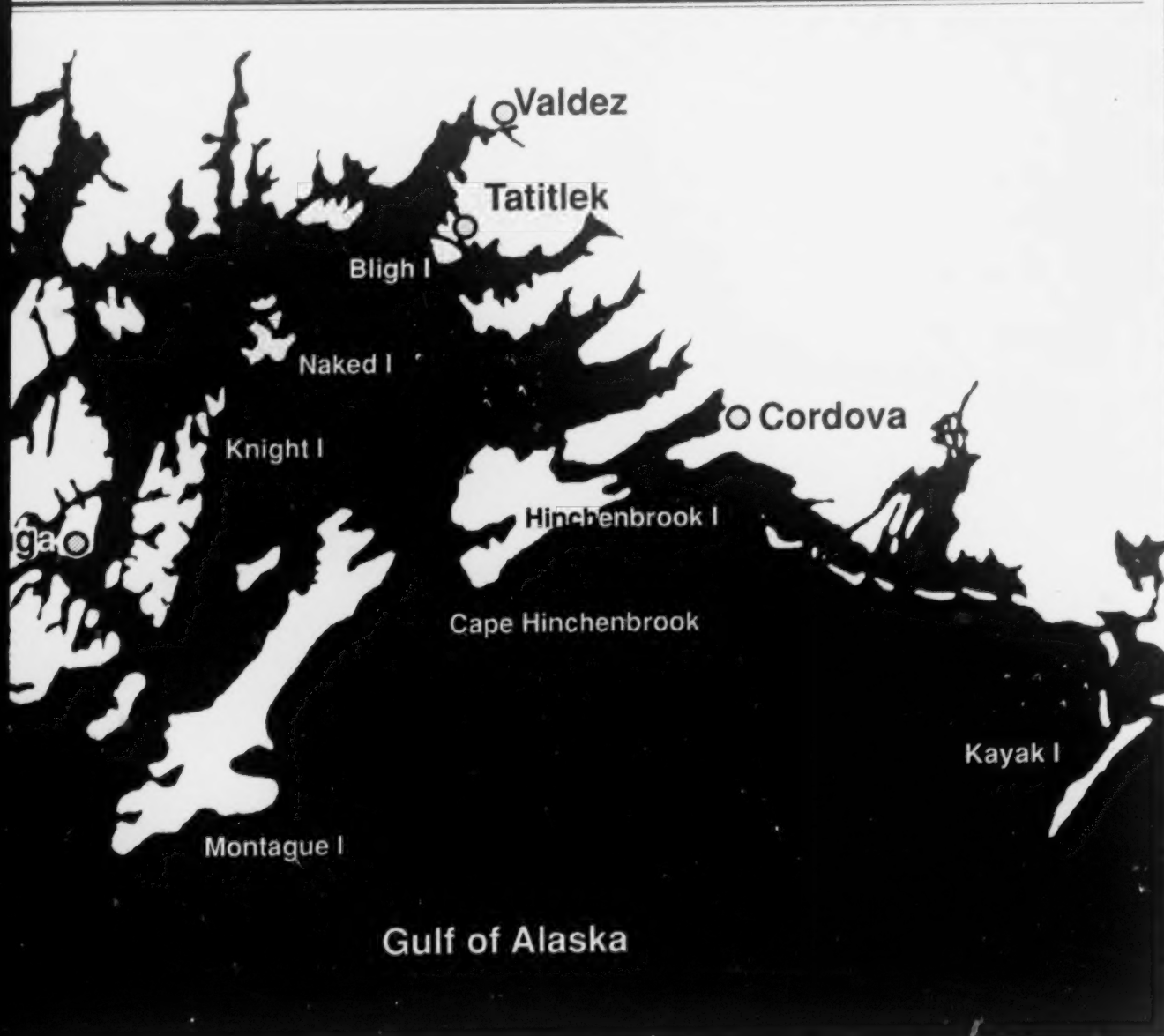
Source: Alaska Railroad



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Prince William Sound



Alaska's Economy Is At A Virtual Standstill

By Neal Fried

After four years of employment growth, the state's job market is running out of steam. Employment in June grew less than one percent over June 1991—the weakest growth in four years. Minuscule growth is also one reason the state unemployment rate remained at the May level of 9.3% (See Table 4).

A feeble economy has plagued the employment performance all year. Closure of The Anchorage Times, however, and its accompanying loss of more than 400 jobs, insured this weak showing would continue. The loss of 120 jobs at MarkAir did not help circumstances. It would be inaccurate to blame the closure of The Anchorage Times or MarkAir cutbacks for the state's weak economic performance. They were, to some extent, victims of a torpid economic showing. Two years ago these job losses might have gone almost unnoticed; but because of recent marginal economic growth, these job losses were more conspicuous.

Job losses at MarkAir and The Anchorage Times made the headlines in June; a number of other industries are contributing to Alaska's weak employment picture. The biggest losses are the well-publicized employment cutbacks in the oil industry. Oil industry employment is 1,600 shy of last year's level. This June is the lowest level of employment in this industry since 1988.

Manufacturing joined the oil industry on the losing side of the economy in June. Prior to June the only sector within manufacturing posting job losses was timber-related employment. The printing and publishing industry joined the timber industry in having over-the-year job losses when The Anchorage Times closed. This additional loss was large enough to push manufacturing into the red.

One part of the manufacturing sector is still healthy. Seafood processing employment was 600 jobs ahead of year-ago levels this June. Even more important is the

news that salmon prices are also above year-ago levels. It is still too early to predict the size of the harvest; all indications point to a healthy harvest this year.

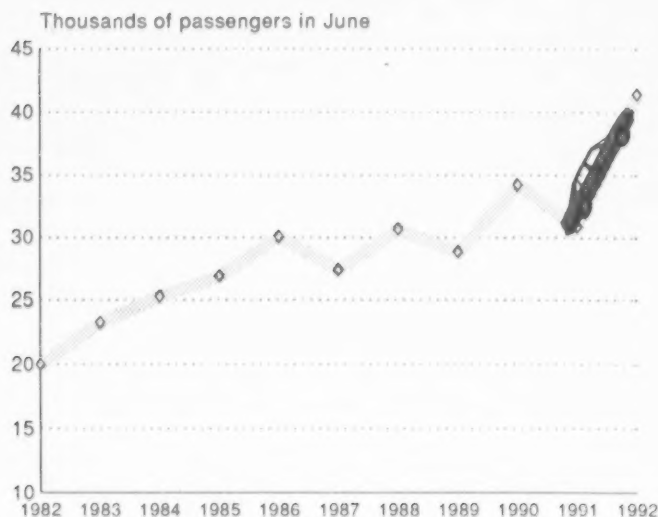
Growth in other industries flattens

The industries with job losses are not the only ones responsible for the listless performance of the economy in Alaska. Many industries that quit growing after years of aggressive growth are now depressing the economy. The air transportation industry is one example. Air freight handlers such as Federal Express, the expansion of MarkAir and other domestic carriers contributed to the strong growth of the industry during 1989-1991. In 1992 the industry lost some of this momentum. Then MarkAir's job losses in June were large

Figure • 1

People Entering Alaska via Highway Hits New High

Source: Community Research Center, Fairbanks North Star Borough



Nonagricultural Wage and Salary Employment by Place of Work — Alaska & Municipality of Anchorage

enough to take the wind out of its sails. At present the transportation industry is just managing to keep as many people employed this year as they did in 1991.

Another industry that lost most of its past vitality is the service industry. In June it was growing by less than one half of one percent.

The service industry is the largest private sector employer in the state. Since 1988 it generated 8,200 new jobs. This broadly-defined industry has many pieces. The health portion of the service industry continues to perform robustly. The legal, social, engineering, and business services parts of the industry, however, are either losing ground or moving horizontally.

Another employer that joined the ranks of the "no growers" is state government. Although the state government figures in Table 1 are positive, it is only because the University of Alaska's employment numbers are positive. The rest of state government employment in June was on par with last year. These numbers are likely to dip below year-ago levels when modest personnel cutbacks begin to take hold with the new fiscal year.

Some Industries are still growing

On a brighter note the financial sector remains a plus in the economy. Two of the state's largest banks recently reported healthy second quarter profits. To-

(continued on page 14)

Alaska

	p/ 6/92	r/ 5/92	6/91	Changes from	
				5/92	6/91
Total Nonag. Wage & Salary	255,400	247,600	253,600	7,800	1,800
Goods-producing	43,800	39,600	45,500	4,200	-1,700
Mining	10,800	10,600	12,400	200	-1,600
Construction	12,200	10,700	12,100	1,500	100
Manufacturing	20,800	18,300	21,000	2,500	-200
Durable Goods	3,400	3,300	3,800	100	-400
Lumber & Wood Products	2,500	2,300	2,900	200	-400
Nondurable Goods	17,400	15,000	17,200	2,400	200
Seafood Processing	13,700	11,100	13,100	2,600	600
Pulp Mills	900	900	900	0	0
Service-producing	211,600	208,000	208,100	3,600	3,500
Transportation	23,800	22,400	23,500	1,400	300
Trucking & Warehousing	3,200	2,900	3,000	300	200
Water Transportation	1,900	1,700	1,900	200	0
Air Transportation	7,500	7,100	7,500	400	0
Communications	3,600	3,600	3,600	0	0
Trade	49,800	47,900	48,800	1,900	1,000
Wholesale Trade	8,100	7,900	8,100	200	0
Retail Trade	41,700	40,000	40,700	1,700	1,000
Gen. Merch. & Apparel	6,700	6,300	6,100	400	600
Food Stores	7,500	7,300	6,900	200	600
Eating & Drinking Places	14,700	14,000	14,600	700	100
Finance-Ins. & Real Estate	11,100	10,900	10,800	200	300
Services & Misc.	54,800	52,800	54,600	2,000	200
Hotels & Lodging Places	6,900	5,700	6,700	1,200	200
Health Services	11,600	11,400	11,200	200	400
Government	72,100	74,000	70,400	-1,900	1,700
Federal	20,200	19,300	19,600	900	600
State	21,100	21,400	20,700	-300	400
Local	30,800	33,300	30,100	-2,500	700

Notes: Prepared in cooperation with the U.S. Bureau of Labor Statistics.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear here are definitionally different from those that appear in the Labor Force table.

Benchmark: March 1991
p/ denotes preliminary estimates
r/ denotes revised estimates

Source: Alaska Department of Labor, Research & Analysis Section.

Municipality of Anchorage

	p/ 6/92	r/ 5/92	6/91	5/92	6/91
Total Nonag. Wage & Salary	115,900	113,200	116,200	2,700	-300
Goods-producing	12,600	11,800	13,700	800	-1,100
Mining	3,400	3,400	4,100	0	-700
Construction	6,700	5,700	6,700	1,000	0
Manufacturing	2,500	2,700	2,900	-200	-400
Service-producing	103,300	101,400	102,500	1,900	800
Transportation	12,800	12,000	12,700	800	100
Communications	2,200	2,200	2,100	0	100
Trade	26,000	25,700	26,300	300	-300
Wholesale Trade	5,800	5,800	5,800	0	0
Retail Trade	20,200	19,900	20,500	300	-300
Food Stores	3,300	3,400	3,300	-100	0
Finance-Ins. & Real Estate	6,800	6,800	6,700	0	100
Services & Misc.	30,100	29,100	29,800	1,000	300
Hotels & Lodging Places	2,700	2,300	2,700	400	0
Health Services	6,100	6,000	5,900	100	200
Government	27,600	27,800	27,000	-200	600
Federal	11,100	10,900	10,800	200	300
State	7,500	7,500	7,500	0	0
Local	9,000	9,400	8,700	-400	300

Table • 2

Nonagricultural Wage and Salary Employment By Place of Work

Southeast Region

	p/ 6/92	r/ 5/92	Changes from:		
			6/91	5/92	6/91
Total Nonag. Wage & Salary	35,900	34,350	35,300	1,550	600
Goods-producing	6,850	6,050	6,650	800	200
Mining	350	350	350	0	0
Construction	1,350	1,250	1,300	100	50
Manufacturing	5,150	4,450	5,000	700	150
Durable Goods	2,150	2,000	2,400	150	-250
Lumber & Woods Products	2,050	1,950	2,300	100	-250
Noncurable Goods	3,000	2,450	2,600	550	400
Seafood Processing	1,850	1,350	1,450	500	400
Pulp Mills	950	900	900	50	50
Service-producing	29,050	28,300	28,650	750	400
Transportation	3,000	2,650	3,050	350	-50
Trade	6,250	5,850	6,100	400	150
Wholesale Trade	600	600	600	0	0
Retail Trade	5,650	5,250	5,500	400	150
Finance-Ins. & Real Estate	1,150	1,150	1,200	0	-50
Services & Misc.	6,250	5,900	6,100	350	150
Government	12,400	12,750	12,200	-350	200
Federal	2,350	2,150	2,250	200	100
State	5,550	5,650	5,550	-100	0
Local	4,500	4,950	4,400	-450	100

Fairbanks North Star Borough

	p/ 6/92	r/ 5/92	Changes from:		
			6/91	5/92	6/91
Total Nonag. Wage & Salary	30,000	29,300	28,350	700	1,650
Goods-producing	2,550	2,200	2,550	350	0
Mining	250	200	250	50	0
Construction	1,650	1,350	1,650	300	0
Manufacturing	650	650	650	0	0
Service-producing	27,450	27,100	25,800	350	1,650
Transportation	2,250	2,050	2,200	200	50
Trucking & Warehousing	550	500	500	50	50
Air Transportation	500	500	500	0	0
Communication	300	300	300	0	0
Trade	7,350	7,050	6,800	300	550
Wholesale Trade	800	800	800	0	0
Retail Trade	6,550	6,250	6,000	300	550
Gen. Merch. & Apparel	1,050	1,000	600	50	450
Food Stores	800	800	800	0	0
Eating & Drinking Places	2,750	2,600	2,700	150	50
Finance-Ins. & Real Estate	1,050	1,000	1,050	50	0
Services & Misc.	6,600	6,250	6,500	350	100
Government	10,200	10,750	9,250	-550	950
Federal	3,400	3,250	3,350	150	50
State	4,100	4,450	3,350	-350	750
Local	2,700	3,050	2,550	-350	150

Anchorage-MatSu Region

	p/ 6/92	r/ 5/92	Changes from:		
			6/91	5/92	6/91
Total Nonag. Wage & Salary	124,000	121,200	124,450	2,800	-450
Goods-producing	13,300	12,400	14,400	900	-1,100
Mining	3,550	3,550	4,250	0	-700
Construction	7,100	6,100	7,100	1,000	0
Manufacturing	2,650	2,750	3,050	-100	-400
Service-producing	110,700	108,800	110,050	1,900	650
Transportation	13,500	12,750	13,450	750	50
Trade	28,050	27,700	28,350	350	-300
Finance-Ins. & Real Estate	7,150	7,100	7,050	50	100
Service & Misc.	31,800	30,650	31,550	1,150	250
Government	30,200	30,600	29,650	-400	550
Federal	11,250	11,000	10,850	250	400
State	8,350	8,300	8,400	50	-50
Local	10,600	11,300	10,400	-700	200

Interior Region

	p/ 6/92	r/ 5/92	Changes from:		
			6/91	5/92	6/91
Total Nonag. Wage & Salary	34,450	33,700	32,550	750	1,900
Goods-producing	2,900	2,500	2,750	400	150
Mining	450	400	450	50	0
Construction	1,750	1,450	1,650	300	100
Manufacturing	700	650	650	50	50
Service-producing	31,550	31,200	29,800	350	1,750
Transportation	2,600	2,350	2,500	250	100
Trade	7,850	7,450	7,250	400	600
Finance-Ins. & Real Estate	1,150	1,100	1,100	50	50
Services & Misc.	7,250	6,900	7,150	350	100
Government	12,700	13,400	11,800	-700	900
Federal	4,150	3,950	4,150	200	0
State	4,500	4,750	3,750	-250	750
Local	4,050	4,700	3,900	-650	150

Table • 2

Nonagricultural Wage and Salary Employment By Place of Work

Northern Region

	p/ 6/92	r/ 5/92	Changes from:		
			6/91	5/92	6/91
Total Nonag. Wage & Salary	14,750	14,600	15,450	150	-700
Goods-producing	5,850	5,650	6,700	200	-850
Mining	5,300	5,100	6,150	200	-850
Service-producing	8,900	8,950	8,750	-50	150
Government	4,250	4,400	4,350	-150	-100
Federal	250	250	300	0	-50
State	350	350	350	0	0
Local	3,650	3,800	3,700	-150	-50

Gulf Coast Region

	p/ 6/92	r/ 5/92	Changes from:		
			6/91	5/92	6/91
Total Nonag. Wage & Salary	27,450	25,150	27,500	2,300	-50
Goods-producing	8,250	6,650	8,350	1,600	-100
Mining	1,150	1,100	1,200	50	-50
Construction	1,200	1,000	1,250	200	-50
Manufacturing	5,900	4,550	5,900	1,350	0
Seafood Processing	5,000	3,700	4,850	1,300	150
Service-producing	19,200	18,500	19,150	700	50
Transportation	2,250	2,100	2,250	150	0
Trade	4,900	4,550	4,650	350	250
Wholesale Trade	550	500	550	50	0
Retail Trade	4,350	4,050	4,100	300	250
Finance-Ins. & Real Estate	650	650	650	0	0
Services & Misc.	5,250	4,950	5,300	300	-50
Government	6,150	6,250	6,300	-100	-150
Federal	650	550	650	100	0
State	1,800	1,800	2,000	0	-200
Local	3,700	3,900	3,650	-200	50

Southwest Region

	p/ 6/92	r/ 5/92	Changes from:		
			6/91	5/92	6/91
Total Nonag. Wage & Salary	18,300	18,000	18,200	300	100
Goods-producing	6,450	6,000	6,600	450	-150
Seafood Processing	6,100	5,700	6,250	400	-150
Service-producing	11,850	12,000	11,600	-150	250
Government	6,250	6,650	6,100	-400	150
Federal	1,450	1,400	1,400	50	50
State	550	500	600	50	-50
Local	4,250	4,750	4,100	-500	150

Municipality of Anchorage — Other

	p/ 6/92	r/ 5/92	Changes from:		
			6/91	5/92	6/91
Durable Goods	600	600	600	0	0
Nondurable Goods	2,000	2,000	2,400	0	-400
Trucking & Warehousing	1,900	1,800	1,800	100	100
Water Transportation	300	300	300	0	0
Air Transportation	4,700	4,500	4,700	200	0
Gen. Merch. & Apparel	3,100	2,900	3,200	200	-100
Eating & Drinking Places	7,700	7,600	7,700	100	0

Notes: Prepared in part with funding from the Alaska State Employment Security Division.
Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear here are definitionally different from those that appear in the Labor Force table.

Benchmark: March 1991
p/ denotes preliminary estimates
r/ denotes revised estimates

Source: Alaska Department of Labor, Research & Analysis Section.

(continued from page 11)

tal bank deposits and assets in the state were up by more than 5% for the first quarter of the year.

Federal employment remains nearly 3% above year-ago levels. This growth comes from both the military and civilian sectors of the federal government. Some of these gains may be lost in the near future. The army recently announced they would be trimming their civil service staff by 41 positions.

There are mixed signals in the tourist industry this summer. It is always difficult to give up-to-date assessments for the visitor industry because only a smattering of indicators are available so early in the season. One figure we do have is a count for the number of people working in the hotel and lodging industry. In June their numbers were up 2% over June 1991.

Another telltale sign is the count of vehicles entering Alaska via the Taylor and Alaska Highways. The June count recorded the highest count ever for June and 34% higher than last June (See Figure 1). As predicted by many, the number of motorized tourists headed to Alaska swelled this year due to the Alaska Highway

50th anniversary celebration. The big increase in this traffic is having a particularly beneficial impact on the more remote communities on the road system. Many of these communities—for example Central, Circle, Eagle and McCarthy—normally get little of the package tour traffic.

Reports from the cruise and organized tour segment of the industry are not quite as upbeat. Some are characterizing this part of the industry as flat. Explanations for this are the weakened national economy and also the fact that the 1991 season was particularly good.

One other positive development has been higher oil prices during the past three months. Oil prices were nearly \$5 higher in June than they were in March.

Anchorage loses all of its steam

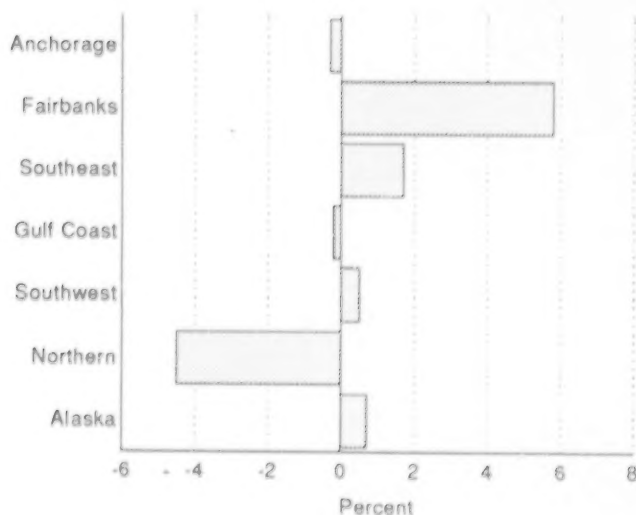
For the first time in 44 months Anchorage employment numbers fell below year-ago levels. It was not unexpected. In May Anchorage was barely hanging on to growth. The job blow from The Anchorage Times closure in late May and, to a lesser extent, MarkAir's layoffs made growth insurmountable in June. The over-the-year job loss is minuscule—down by one-tenth of one percent or 200 jobs shy of June 1991 numbers. The direction employment took, however, is indicative of the weakened Anchorage economy. The higher unemployment rate in June was symptomatic of the Anchorage job market.

The Anchorage economy is feeling the effects of oil industry and air transportation cutbacks disproportionately. Its service and retail trade industries are also weak. When new stores open near the end of the year retail trade numbers should turn around. At the latest count Costco, Pace Warehouse, K-Mart, Fred Meyer, Eagle Hardware, Toys R Us, and Disney World are all planning to open new stores in Anchorage in the next year.

Figure • 2

Job Gains/Losses Vary by Region Change in Employment June 91 to 92

Source: Alaska Department of Labor, Research & Analysis Section



Alaska Hours and Earnings for Selected Industries

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	p/ 6/92	r/ 5/92	6/91	p/ 6/92	r/ 5/92	6/91	p/ 6/92	r/ 5/92	6/91
Mining	\$1,108.48	\$1,148.55	\$1,180.41	49.2	49.4	51.3	\$22.53	\$23.25	\$23.01
Construction	1,120.56	1,074.58	1,112.94	46.4	43.7	45.8	24.15	24.59	24.30
Manufacturing	525.92	462.11	531.70	46.5	38.8	45.6	11.31	11.91	11.66
Seafood Processing	441.56	322.90	426.29	48.1	37.2	47.0	9.18	8.68	9.07
Trans., Comm. & Utilities	622.32	577.32	664.60	35.5	34.0	37.4	17.53	16.98	17.77
Trade	346.37	339.46	372.62	32.8	31.2	33.6	10.56	10.88	11.09
Wholesale	554.58	577.34	626.36	39.0	38.8	41.1	14.22	14.88	15.24
Retail	305.57	292.55	324.25	31.6	29.7	32.2	9.67	9.85	10.07
Finance-Ins. & R.E.	429.60	439.30	412.06	35.3	34.7	35.4	12.17	12.66	11.64

Picture mixed in rest of the state

Large job losses in the oil industry were not confined to Anchorage in June. Job losses in the oil patch are pulling the Northern region employment count down. (See Figure 2). Oil industry employment in the region in June was off by 860 jobs or 15%. The June unemployment rate for the region was 13.5%—two full points higher than the 1991 rate and the highest June rate in five years.

The Gulf Coast region employment picture was flat in June. Oil and construction were down a bit and fishing was up. Most of the other sectors were holding their own. Only retail trade numbers were up significantly—largely as a result of the new Carr's grocery store in Kenai. In Southeast Alaska employment managed to show over-the-year growth in June. Fishing was particularly strong in June and timber losses were moderating. The rest of Southeast's industries were holding steady.

The employment figures in Fairbanks remain robust; with most of the growth in retail trade and the public sector. New Sears and Fred Meyer stores are keeping the Fairbanks job count buoyed. The list of new stores opening this year or next has increased by one—it now includes a new Pace Warehouse, Value Village and K-Mart. Fairbanks unemployment rate in June was one of the few in the state that wasn't higher than last June.

Summary: Economy is looking weak

Employment growth in June almost came to a standstill, registering a meager 0.7% over-the-year rate. This feeble growth is also why the state unemployment rate remained unchanged from May and is higher than year-

ago levels.

A number of industries are contributing to this weak economic picture. Well-publicized oil industry employment cutbacks remain a drag on the economy, along with losses in the timber industry. Employment losses from The Anchorage Times closure pushed the printing and publishing industry into over-the-year job losses. These in turn pushed another industry into the red—manufacturing.

The industries with negative numbers were not the only ones contributing to the frail performance of the state economy. Just as important are the industries which brought a great deal of vitality to the state economy during the past three years that are no longer doing so. These include air transportation, the service industry and state government.

A few industries remained on pretty firm ground in June. The financial sector, the federal government and retail trade are pluses in the economy. Although it is still too early to tell, the tourism industry may also be providing some boost.

The biggest news on the geographic front is that the Anchorage employment count was below year-ago levels for the first time in 44 months. The effects of oil and air transportation industry layoffs are disproportionately felt in Anchorage. The picture in the rest of the state was mixed. Like Anchorage, the Northern region numbers are negative because of oil patch cutbacks. Southeast and Southwest Alaska are still managing to grow. Boosts from retail trade and the public sector are keeping Fairbanks in the black.

Notes:

p/ denotes preliminary estimates

r/ denotes revised estimates

Benchmark: March 1991

Averages are based on data for full- and part-time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

Source: Alaska Department of Labor, Research & Analysis Section.

Table • 4

Labor Force By Region and Census Area

	Labor Force			Unemployment			Rate %			Employment		
	p/ 6/92	r/ 5/92	6/91	p/ 6/92	r/ 5/92	6/91	p/ 6/92	r/ 5/92	6/91	p/ 6/92	r/ 5/92	6/91
Alaska Statewide	271,156	261,486	265,842	25,099	24,209	22,381	9.3	9.3	8.4	246,057	237,277	243,461
Anch.-MatSu Region	137,782	133,659	136,343	11,828	11,152	10,316	8.6	8.3	7.6	125,954	122,507	126,027
Munic. of Anchorage	120,442	116,376	118,902	9,095	8,560	8,060	7.6	7.4	6.8	111,347	107,816	110,842
MatSu Borough	17,340	17,283	17,441	2,733	2,592	2,256	15.8	15.0	12.9	14,607	14,691	15,185
Gulf Coast Region	33,852	31,662	33,409	3,658	4,107	3,349	10.8	13.0	10.0	30,194	27,555	30,060
Kenai Peninsula Borough	21,293	19,523	20,684	2,792	2,639	2,266	13.1	13.5	11.0	18,501	16,884	18,418
Kodiak Island Borough	7,431	7,415	7,697	382	982	679	5.1	13.2	8.8	7,049	6,433	7,018
Valdez-Cordova	5,128	4,724	5,028	484	486	404	9.4	10.3	8.0	4,644	4,238	4,624
Interior Region	38,518	37,384	36,329	4,389	4,153	4,095	11.4	11.1	11.3	34,129	33,231	32,234
Fairbanks North Star Bor.	33,219	32,286	31,360	3,626	3,472	3,411	10.9	10.8	10.9	29,593	28,814	27,949
Southeast Fairbanks	2,180	2,150	2,035	289	309	249	13.3	14.4	12.2	1,891	1,841	1,786
Yukon-Koyukuk	3,119	2,948	2,934	474	372	435	15.2	12.6	14.8	2,645	2,576	2,499
Northern Region	8,481	8,292	8,544	1,147	994	980	13.5	12.0	11.5	7,334	7,298	7,564
Nome	3,176	3,089	3,209	493	419	442	15.5	13.6	13.8	2,683	2,670	2,767
North Slope Borough	2,951	2,902	3,021	177	142	160	6.0	4.9	5.3	2,774	2,760	2,861
Northwest Arctic Borough	2,354	2,301	2,314	477	433	378	20.3	18.8	16.3	1,877	1,868	1,936
Southeast Region	37,449	35,712	36,594	2,960	2,817	2,752	7.9	7.9	7.5	34,489	32,895	33,842
Haines Borough	933	920	1,028	113	138	223	12.1	15.0	21.7	820	782	805
Juneau Borough	16,660	15,791	16,129	1,064	915	824	6.4	5.8	5.1	15,596	14,876	15,305
Ketchikan Gateway Bor.	7,019	6,729	6,918	628	633	647	8.9	9.4	9.4	6,391	6,096	6,271
Pr. of Wales-Outer Ketch.	2,934	2,771	2,812	390	345	316	13.3	12.5	11.2	2,544	2,426	2,496
Sitka Borough	4,313	4,147	4,224	250	272	238	5.8	6.6	5.6	4,063	3,875	3,986
Skagway-Yakutat-Angoon	1,829	1,757	1,729	241	242	171	13.2	13.8	9.9	1,588	1,515	1,558
Wrangell-Petersburg	3,761	3,597	3,754	274	272	333	7.3	7.6	8.9	3,487	3,325	3,421
Southwest Region	15,074	14,777	14,623	1,117	986	889	7.4	6.7	6.1	13,957	13,791	13,734
Aleutians East Borough	1,058	1,053	1,027	36	43	22	3.4	4.1	2.1	1,022	1,010	1,005
Aleutians West	2,931	2,888	2,865	69	60	48	2.4	2.1	1.7	2,862	2,828	2,817
Bethel	5,833	5,697	5,665	543	470	459	9.3	8.2	8.1	5,290	5,227	5,206
Bristol Bay Borough	568	558	539	28	25	8	4.9	4.5	1.5	540	533	531
Dillingham	2,731	2,681	2,613	204	184	126	7.5	6.9	4.8	2,527	2,497	2,487
Wade Hampton	1,953	1,900	1,914	237	204	226	12.1	10.7	11.8	1,716	1,696	1,688

Notes: p/ denotes preliminary estimates

r/ denotes revised estimates

Benchmark: March 1991

- Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey in formulas used to allocate federal funds.
- Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor.
- The official definition of unemployment currently in place excludes anyone who has made no attempt to find work in the four week period up to and including the week that includes the 12th of each month. Most Alaska economists believe that Alaska's rural localities have proportionately more of these discouraged workers.
- The employment numbers that appear above are definitionally different from those that appear in the Nonagricultural Wage & Salary Employment tables.

Source: Alaska Department of Labor, Research & Analysis Section.

Alaska Employment Service

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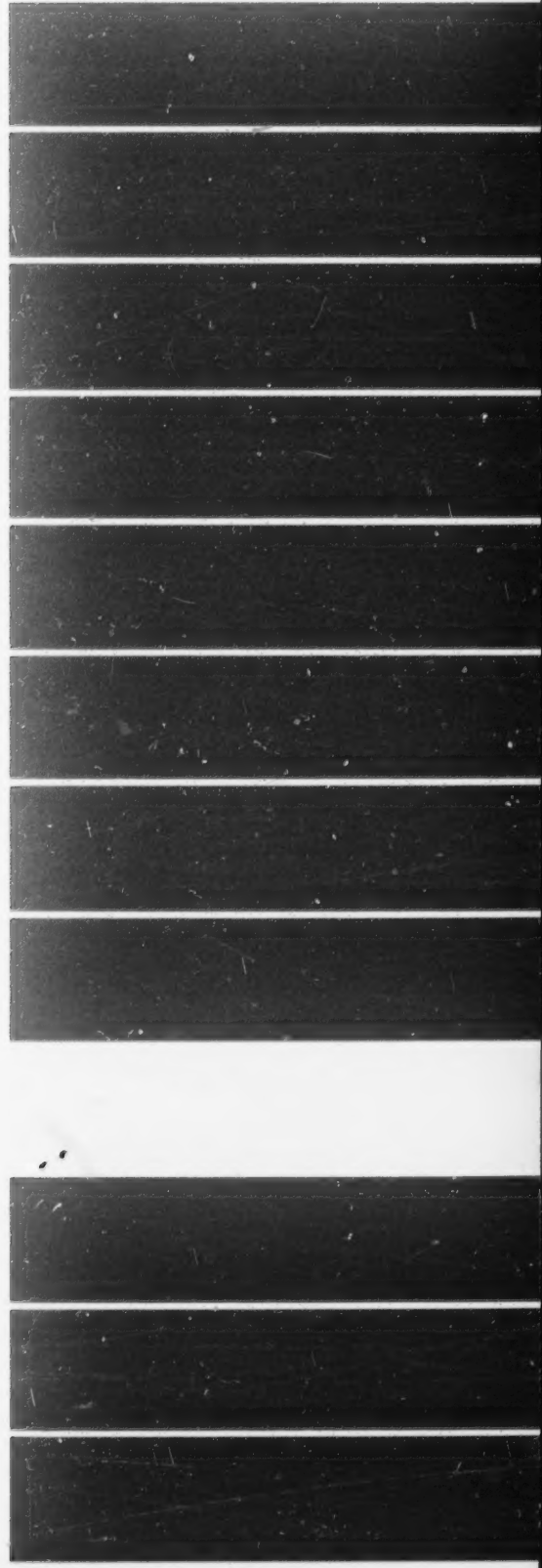
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TRENDS



**JOBS PUSH
UNEMPLOYMENT DOWN
IN JULY**

October 1992

A PORTRAIT OF OLDER ALASKANS

**ALASKA DEPARTMENT OF LABOR
WALTER J. HICKEL, GOVERNOR**

ALASKA ECONOMIC

TRENDS

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Alaska State Employment Service



**EMPLOYMENT
INSURANCE**

maintaining the foundation of economic security

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A Portrait Of Older Alaskans

by Neal Fried

While the number of older Alaskans is small, their age group is growing fast. In fact, Alaska had one of the fastest growing senior populations in the country. Most are not working for wages; many, however, volunteer their time. Although their incomes are relatively low, few are poor. A majority of them live with a spouse, but many live alone. This article reviews information from the 1990 census and other sources to paint a portrait of Alaska's senior citizens (also referred to here as older Alaskans and 65+).

Older Alaskans fastest growing group

Alaska's population growth of 37% over the past decade ranked second in the nation (Nevada was first). During the same period the state's senior population nearly doubled. (See Table 1.) The senior population in the U.S. as a whole grew 22%. Within this category of older Alaskans, the 80+ group is growing the fastest. By the year 2010 this group is projected to more than triple in size.

No other segment of Alaska's population is growing as quickly as those aged 65+. No one expects this trend will soon change, either. The state demographer estimates the older Alaskan population will more than double by the year 2010. (See Figure 1.)

Why this strong growth? The main explanation for this phenomenon is simple. The number of middle-aged Alaskans (age groups 45-54 and 55-64) grew robustly in the 1980s and they are getting older. Historically many Alaskans began to move south when they reached these ages. This is still happening, but not to the same extent as in the past.

Two other demographic factors might help explain the flourishing senior population. More of today's older Alaskans have children living in Alaska, which acts as an incentive for seniors to remain in the state. Nationally, many seniors are relocating close to their children, so their children can help with their parents' care. This trend should also explain some of the increase in Alaska's senior population.

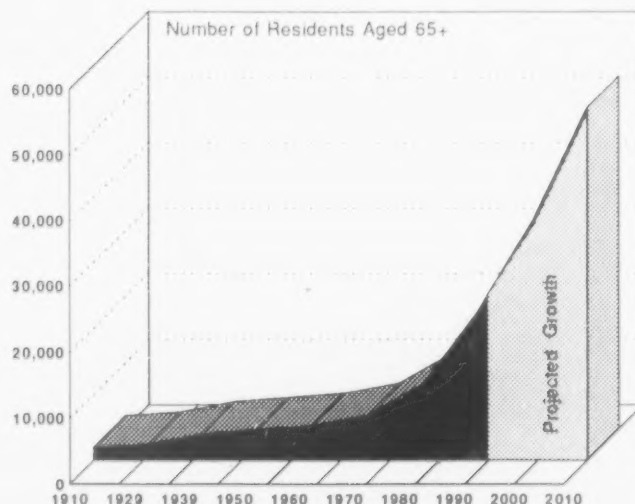
Another factor which is probably contributing to this change is the \$250 monthly stipend, known as the longevity bonus, paid to Alaskans aged 65+. The distribution of the permanent fund dividend may also explain some of this change.

Prior to 1984 only senior citizens who had lived in Alaska before statehood were eligible for the longevity bonus. Then the courts struck down this qualification. All seniors who had lived in the state for at least one year

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Figure • 1

A Century of Older Alaskans



Source: U.S. Bureau of the Census and Alaska Department of Labor, Research & Analysis Section.

Table • 1

Number of Alaska's Elderly Grows by Leaps and Bounds

Source: U.S. Bureau of the
Census & Alaska Department of
Labor, Research & Analysis
Section.

Age Group	1980	1990	% Change 1980-1990	Projected 2010	% Change 1990-2010
65-69	5,206	9,626	84.9	19,238	99.9
70-74	3,106	5,922	90.7	12,629	113.3
75-79	1,845	3,639	97.2	9,562	162.8
80-84	771	1,931	150.5	6,770	250.6
85+	619	1,251	102.1	5,466	336.9
65+	11,547	22,369	93.7	53,665	139.9
All Ages	401,851	550,043	36.9	868,300	57.9

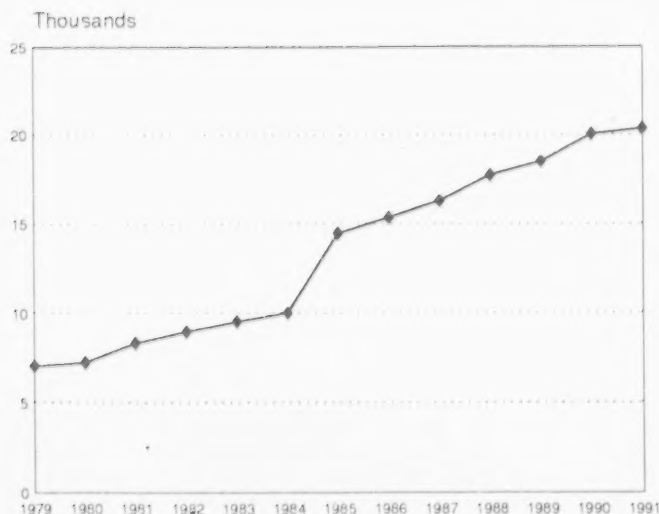
became eligible. As a result, the number of longevity bonus recipients grew dramatically. (See Figure 2.) In addition to the bonus, the first permanent fund dividends were paid in 1982.

In 1991 these two programs combined would have put \$3,931 in an older Alaskan's pocket. This goes a long way toward offsetting the higher cost of living in Alaska. There is also evidence the cost of living vis-a-vis the rest of the nation narrowed during the 1980s. From a financial standpoint, these two factors help more senior citizens to remain in Alaska.

Figure • 2

Recipients of Longevity Bonus

Source: Alaska Department of
Administration.



Although older Alaskans are the fastest growing population group, proportionately they represent the smallest group of seniors in the country. (See Figure 3.) Only 4.1% of the population in Alaska are 65+ compared to 12.6% nationwide. The frontier characteristics of the state explain the much smaller senior population in Alaska. Alaska attracts many people between the ages of 20-45. They in turn have children which further swells the younger age groups in this state. Even though more older Alaskans are staying in the state, many still leave.

However, since the 65+ population is growing so much faster than the rest of the population, its share is also growing. In 1980 they made up 2.9% of the state's population, compared to

4.1% in 1990. By the year 2000 they are projected to make up 5% of the state's population.

More senior women than men

As a group, older Alaskans are the only age cluster in the state with more women than men. (See Figure 4.) This is, however, a relatively recent development. Prior to 1980 there were more older Alaskan men than women—part of the frontier legacy of the state. In the past more men migrated to Alaska than women. This is why there are proportionately more older Alaskan men than elsewhere in the nation. Nationally only 41% of the senior population are men compared to Alaska's 47%. Because women live longer and because recent migration patterns have become more balanced, women are now outnumbering their male counterparts.

Senior citizens became more urbanized in the past decade

Older Alaskans are distributed throughout the state in the same proportion as the overall population, with 68% living in urban Alaska. This is a significant change from 1980. Then only 57% of seniors were urban residents, compared to 64% for the entire population.

Historically, a disproportionate number of elders lived in rural Alaska. This was because more Alaska Natives lived in rural Alaska and few of these elders migrated out of state. This is still true. In 1990 15.6% of the state's population were Alaska Natives but 18.5% of all older Alaskans in the state were Alaska Natives. During the past decade, however, the number of older Alaskans grew more quickly in urban Alaska because of the very strong in-migration of non-Native migrants. The overall state population also became more urban.

Many rural communities have larger-than-average

older Alaskan populations. For example, the population of elders in many villages in the Bethel region exceeds 7%. All of the boroughs and census areas in Southeast Alaska also have above-average populations of elders. (See Table 2.) The reason for this may be that the population in this region tends to be stable and the climate is mild. On the flip side, 65+ population is a much smaller group in the frontier areas of the state. In Dutch Harbor, for example, senior citizens make up less than 1% of the population.

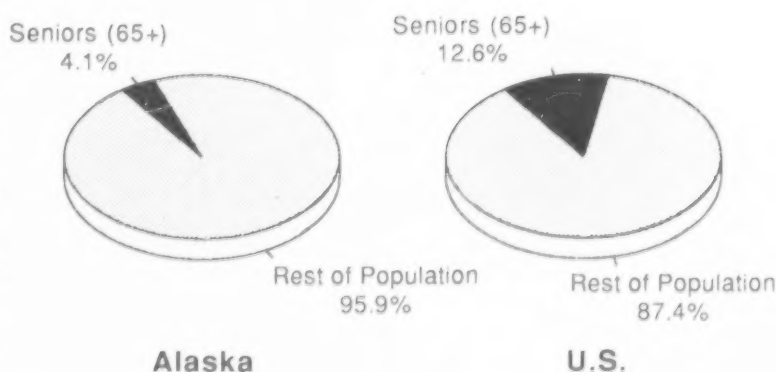
Another urban-rural difference among elders is their ability to speak English. Only 1.4% of the state's population indicated they did not speak English, compared to 6.4% of the state's seniors. The largest concentration of non-English speakers were in Alaska Native communities. In the Bethel and Wade Hampton census areas more than half the older Alaskans did not speak English. This dichotomy will become less prevalent in the future. In these same communities it is not unusual to find 2% or less of younger residents who lack the ability to speak English.

Most seniors live in family households

Figure • 3

Proportion of Seniors Smaller in Alaska

Source: U.S. Bureau of the Census.



T a b l e • 2

Alaska Senior Population In 1990 by Borough/Census Area

	All Persons 65+		65+ Below Poverty Level	
	65+	Percent of Total Population	Number	Percent of 65+*
ALASKA	22,369	4.1	1,606	7.6
Aleutians East Borough	58	2.4	7	14.6
Aleutians West Census Area	82	0.9	4	5.6
Anchorage, Municipality of	8,258	3.6	382	4.9
Bethel Census Area	657	4.8	175	26.4
Bristol Bay Borough	42	3.0	6	17.1
Dillingham Census Area	205	5.1	51	24.9
Fairbanks North Star Borough	2,540	3.3	204	9.0
Haines Borough	182	8.6	13	7.7
Juneau Borough	1,364	5.1	51	3.9
Kenai Peninsula Borough	2,015	4.9	129	6.6
Ketchikan Gateway Borough	907	6.6	37	4.3
Kodiak Island Borough	425	3.2	50	11.8
Lake and Peninsula Borough	85	5.1	14	15.4
Matanuska-Susitna Borough	1,866	4.7	125	6.9
Nome Census Area	419	5.1	60	15.5
North Slope Borough	197	3.3	27	14.1
Northwest Arctic Borough	281	4.6	42	16.6
Prince of Wales-Outer Ketchikan CA	216	3.4	24	11.5
Sitka Borough	492	5.7	—	—
Skagway-Yakutat-Angoon Census Area	235	5.4	17	7.2
Southeast Fairbanks Census Area	223	3.8	22	9.8
Valdez-Cordova Census Area	463	4.7	29	6.5
Wade Hampton Census Area	258	4.5	47	18.2
Wrangell-Petersburg Census Area	507	7.2	12	2.5
Yukon-Koyukuk Census Area	392	4.6	78	21.4

*The percent of those 65+ whose poverty status could be determined.

Source: U.S. Bureau of the Census.

A majority of older Alaskans live in family households. (See Figure 5.) In most cases this means they live with their spouse. However, 27% of all seniors live alone compared to 8% for the entire population. More striking is the fact that a third of all women live alone compared to only a fifth of the men. This is because women live longer. Nearly 5% of all older Alaskans live in what the census bureau terms "group quarters"—Pioneer Homes, nursing care facilities, etc.

A majority of Alaska's elders live in their own homes. Renting is the second most popular housing option for older Alaskans. For those seniors who own their own home a smaller percentage of their income goes to homeowner costs (including mortgages). This is not

surprising since their homes are often paid for or they have older mortgages with smaller payments. Those seniors who rent, however, pay a bigger slice of their income for rent than the overall population does. This is because rent payments, unlike mortgages, are much more likely to reflect current (higher) housing costs.

Older Alaskans are more likely to lack full plumbing facilities in their homes than the overall population—9.5% compared to 7.1%. This means they may lack any one or more of the following: hot and cold piped water, a flush toilet, and a bathtub or shower. A lack of full plumbing facilities is particularly prevalent in rural Alaska. For example, 70% of the elders in the Wade Hampton census area lacked complete plumbing facilities.

Few older Alaskans are active in the job market

Participation in the labor force begins to fall off steeply between the ages of 55-64; by age 65 working becomes the exception rather than the rule. (See

Figure 6.) The number of senior citizens active in the labor market has fallen steadily over the years. According to the Bureau of Labor Statistics only 16% of older Alaskans were active in the labor market in 1991. In 1980 20% were active; in 1970 the proportion was 28%.

There are many reasons why the retirement age keeps sinking. Some are: better pension plans, higher social security payments, and the increased popularity of early retirement incentive plans. These changes have all made it possible for a growing number of seniors to become financially secure at a younger age.

There are other reasons why seniors' representation in the world of work falls off so quickly. Polls indicate that

many retired older Americans would like to work. Some need to work to supplement their retirement, others are bored with retirement and some want to work for social reasons. However, a number of barriers exist. Social Security regulations may discourage older people from working because benefits are often reduced. If a recipient is younger than 65 and earns more than \$6,480 a year, or is between the ages of 65-70 and earns more than \$8,800, their benefits are lowered. There are no reductions for workers over 70.

Also, some retirements are not voluntary. Workers may retire because they lose their job or they risk losing their job before "normal" retirement age. There are older Alaskans who would like to work part-time or phase in their retirement, but institutional rules often don't allow for this. There is also a dearth of well-paying part-time jobs. Age discrimination acts as another important barrier.

It should be pointed out that these labor force participation statistics underestimate senior citizen involvement in the working world. Many spend a significant amount of time doing volunteer work, taking care of family members, and/or involved in subsistence activity.

Some researchers believe the trend of earlier retirement may soon end. The Bureau of Labor Statistics is already projecting a small rise in the labor force participation rate of men 55 to 64. With people living longer and remaining healthy longer it would logically follow that a person's work life would be extended. Employers may create more flexible working arrangements so they can keep their older workers, who are often among their most highly-skilled and experienced workers. In the future there may be fewer of the institutional rules that now discourage older people from working. Age discrimination may also lessen.

Others believe that economic factors will reverse the present trend. Fewer workers in the current labor force are covered by

private pension plans, which will make it more difficult for workers to retire early. These researchers believe that as people live longer and their numbers continue to grow it will become more difficult to support the system that is in place today. In a sense the Social Security system is already taking this into account. Beginning in the year 2000, the age when beneficiaries become eligible for full retirement benefits will gradually increase from 65 to 67.

Income falls fast for senior citizens

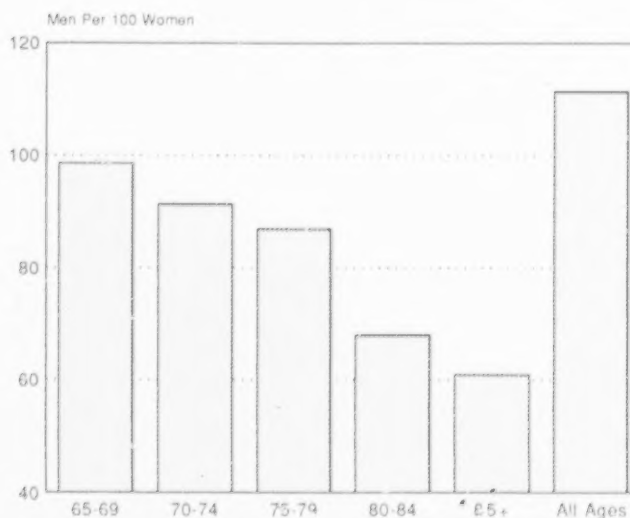
The low participation rate of senior citizens in the labor force is reflected in their income picture. For all age groups in Alaska the median household income was \$41,408 in 1989. This means half of Alaska's households had incomes of less than \$41,408 and half earned more. The census bureau has not yet published median wage income by age. Instead, they have published the distribution of household income by age.

Although these figures make income comparison more difficult, the conclusion from this information is clear. (See Table 3.) Of all older Alaskan households, 67% had incomes of less than \$35,000 compared to 42% for all

Figure • 4

Older Alaska Women Outnumber Older Alaska Men

Source: U.S. Bureau of the Census.



ages. Only 15% of the state's residents had household incomes of less than \$15,000 compared to 33% for the 65+ group. On the higher end, only 19% of the senior households had incomes over \$50,000 compared to 40% of the overall population. Their lower incomes are understandable. A majority of them are not working, and wages make up nearly three-quarters of all income in the state. Their household size is also smaller. And even seniors who are still working earn wages significantly below average. (See Figure 7.)

Although seniors have lower incomes, this doesn't necessarily mean their spending power is less than the rest of the population. More often, they own their own homes and have no debts. Their household sizes are smaller, so their discretionary income per capita is often higher. Other benefits such as Medicare, senior citizen property tax exemption and other rebate programs help offset smaller incomes.

Another factor which boosts the spending power of seniors is that on average they have accumulated a much greater net worth than the rest of the population. As a group they have had more time to accumulate wealth.

Also, most of their working lives took place during one of the most prosperous eras in this nation. Nationally the net worth of seniors was nearly twice the average for the overall population. There are no net worth figures for Alaska.

Knowledge of senior spending power has not been lost on many communities in the nation. These communities actively court retirees in order to diversify, stabilize or revitalize their economies. In some cases the senior citizen spending power—referred to as the "mailbox economy" because their social security and other retirement income arrives in the mail—is a town's biggest source of income.

Percent of poor seniors plummets

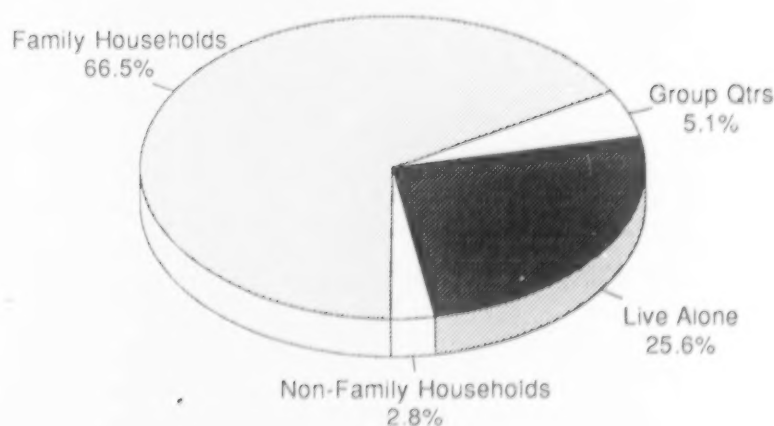
The percent of older Alaskans falling below the poverty line was nearly cut in half over the past decade. In 1980 14% of all seniors fell below the poverty line compared to 7.6% percent in 1990. Besides the dramatic growth in the number of seniors, this may represent the biggest change that has taken place over the past decade. In 1980 a higher percentage of seniors fell below the poverty level than the overall population. The reverse was true in 1990 when 9% of the state's overall population fell below the poverty line.

Why such a dramatic shift? Part of the answer is the longevity bonus and permanent fund dividend programs. In 1989, the year for which the census measured income, an eligible elder received \$3,873 from these two programs; a couple received \$7,746. This income supplement to social security and other retirement income goes a long way to pushing nearly all senior citizens above the relatively low poverty income thresholds. In 1989 the poverty threshold for a senior was \$5,947; for a two-person family it was \$7,501. Higher social security benefits and other retirement income may have also contributed to an improved economic picture in Alaska for seniors.

Figure • 5

Where do Older Alaskans Live?

Source: U.S. Bureau of the Census.



Older Alaskans are in better shape financially than their counterparts elsewhere. Nationally, 12.8% of seniors fell below the poverty line, which was nearly identical to the rest of the population. The higher cost of living in Alaska, though, is not reflected in these numbers.

Although senior citizens in nearly all geographic areas of the state benefitted from these declines in the incidence of poverty, large segments of the 65+ population are still living below these thresholds in some areas. This is particularly true in rural Alaska. (See Table 2.) For example, the proportion is higher than 20% in the Bethel, Dillingham and Yukon-Koyukuk census areas. These figures do not take the rural higher cost of living into account, although subsistence activity may partially offset this.

In spite of this dramatic improvement in the poverty picture, the number of seniors in Alaska receiving public assistance grew by 53% during the past decade. Because the senior population grew faster than this, the proportion of them receiving old age assistance actually dropped.

Summary: Older Alaskans are a dynamic group

Older Alaskans are the fastest-growing age group in the state and among the fastest-growing in the nation. In spite of this strong growth, Alaska is still home to the smallest proportion of seniors than any other state. In spite of their diminutive size, they continue to increase their share of the state's population, and this trend is expected to continue.

Not only are their numbers changing fast but so are their characteristics. For example, the 1990 census was the first one that counted more senior women than men. This is a sign that migration to the state is becoming less male-dominated. Most elders live in family households and a sizeable number live alone.

Fewer senior citizens were active in the Alaska job market than ever before in

history. Many elders choose not to work. There are others who would like to work but don't because of barriers such as discrimination. Some researchers believe the decline in seniors' participation in the work place may end. Reasons given include longer and healthier lives; financial constraints might force this change to happen.

As seniors retire their income falls. It would be a mistake, however, to measure their well-being by income alone. Unlike most other age groups, senior citizens have had time to accumulate financial assets. Therefore, their spending power in a community is often far greater than their income would indicate.

One of the most striking changes in the past decade is the steep decline in the incidence of poverty among older Alaskans. The longevity bonus and permanent fund dividend payments may be important factors in cutting their frequency of poverty.

Labor Force Participation Falls Off Dramatically With Age

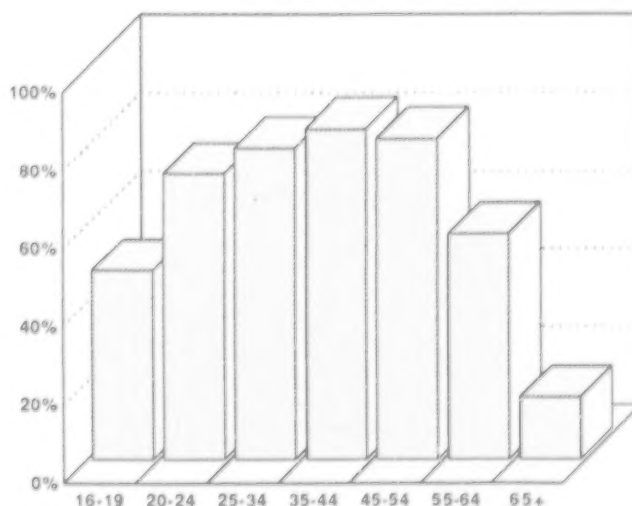


Figure 6

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Table • 3

Household Income of Alaskans by Age in 1989 (Percent Distribution)

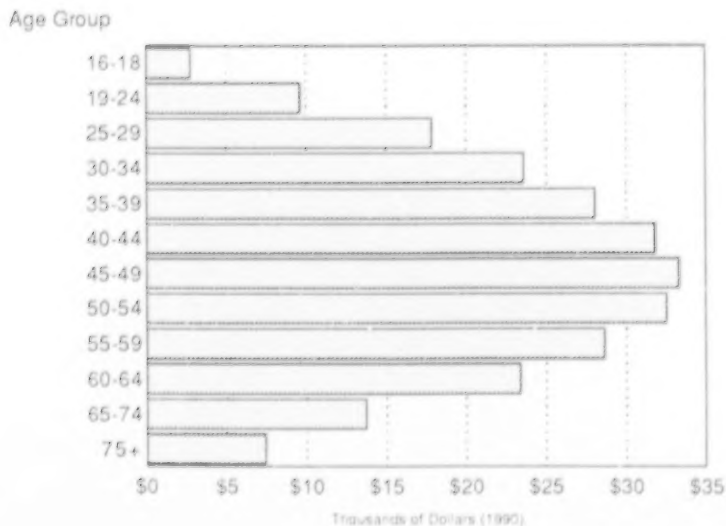
Source: U.S. Bureau of the Census.

	Less Than \$5,000	\$5,000- \$9,999	\$10,000- \$14,999	\$15,000- \$24,999	\$25,000- \$34,999	\$35,000- \$49,999	\$50,000- \$74,999	\$75,000 \$99,999	\$100,000
15 to 24	6.3	9.3	15.6	27.3	17.6	13.8	7.0	1.7	1.4
25 to 34	3.3	4.2	6.6	16.7	18.0	21.3	19.7	6.7	3.6
35 to 44	2.7	3.2	3.8	9.1	11.9	20.4	26.0	14.1	8.7
45 to 54	2.9	3.1	3.5	7.4	8.4	15.2	26.8	17.5	15.3
55 to 64	3.9	5.5	6.2	11.2	12.4	17.2	20.4	12.7	10.6
65 to 74	4.6	10.6	12.7	19.1	15.3	15.6	12.0	5.4	4.7
75+	7.8	18.0	18.4	21.3	12.3	10.3	6.9	3.0	2.1
65+	5.5	12.7	14.4	19.7	14.4	14.1	10.6	4.7	4.0
All Ages (15+)	3.5	4.8	6.4	13.3	13.6	18.5	21.3	10.9	7.7

Figure • 7

Annual Average Wage Drops for Older Alaskans

Source: Alaska Department of Labor, Research & Analysis Section.



1990 Census Bulletin

Estimates of the Resident Total Population of States by Age: July 1, 1991*

	Resident Population	Under 5 Years	5 to 17 Years	18 to 24 Years	25 to 44 Years	45 to 64 Years	65 Years & Over	Median Age
United States	252,177	19,222	45,923	26,385	82,149	46,744	31,754	33.1
Alabama	4,089	295	776	447	1,254	788	529	33.3
Alaska	570	57	123	56	222	88	24	29.8
Arizona	3,750	310	700	390	1,195	659	497	32.5
Arkansas	2,372	170	456	241	694	458	353	34.1
California	30,380	2,651	5,512	3,312	10,539	5,179	3,107	31.5
Colorado	3,377	258	625	338	1,209	606	340	32.9
Connecticut	3,291	237	527	327	1,097	651	451	34.7
Delaware	680	51	117	75	224	130	83	33.2
District of Columbia	598	43	78	76	214	110	77	33.4
Florida	13,277	915	2,083	1,202	4,036	2,609	2,432	36.5
Georgia	6,623	523	1,252	736	2,246	1,198	668	31.8
Hawaii	1,135	89	199	120	388	209	129	32.9
Idaho	1,039	82	236	103	311	181	124	31.8
Illinois	11,543	887	2,111	1,193	3,754	2,151	1,448	33.1
Indiana	5,610	406	1,059	609	1,765	1,063	708	33.2
Iowa	2,795	193	532	283	833	523	431	34.3
Kansas	2,495	190	482	252	781	443	346	33.1
Kentucky	3,713	256	703	401	1,172	710	472	33.3
Louisiana	4,252	339	894	465	1,331	748	474	31.3
Maine	1,235	86	224	12	401	234	166	34.3
Maryland	4,860	377	824	487	1,708	935	530	33.3
Massachusetts	5,996	431	943	669	2,023	1,106	824	33.8
Michigan	9,368	717	1,767	994	3,012	1,748	1,130	32.9
Minnesota	4,432	338	851	433	1,470	784	555	32.8
Mississippi	2,592	202	549	299	757	463	323	31.4
Missouri	5,158	378	962	511	1,601	980	726	33.8
Montana	808	59	165	72	252	152	108	34.3
Nebraska	1,593	120	315	156	491	285	225	33.3
Nevada	1,284	101	220	121	447	256	138	33.4
New Hampshire	1,105	85	195	112	385	200	128	33.3
New Jersey	7,760	565	1,277	747	2,571	1,559	1,041	34.7
New Mexico	1,548	130	328	154	494	273	168	31.5
New York	18,058	1,340	3,026	1,884	5,909	3,542	2,357	34.0
North Carolina	6,737	485	1,158	776	2,190	1,302	826	33.4
North Dakota	835	46	127	67	193	109	92	32.8
Ohio	10,939	796	2,023	1,129	3,458	2,100	1,432	33.7
Oklahoma	3,175	230	615	326	973	601	430	33.4
Oregon	2,922	209	539	273	954	546	401	34.8
Pennsylvania	11,961	816	2,014	1,211	3,701	2,362	1,858	35.3
Rhode Island	1,004	70	160	116	323	184	152	34.2
South Carolina	3,560	270	668	411	1,143	660	407	32.3
South Dakota	703	54	146	69	208	123	104	32.9
Tennessee	4,953	346	884	530	1,588	975	629	33.9
Texas	17,349	1,457	3,512	1,888	5,776	2,960	1,756	31.0
Utah	1,770	174	468	208	515	249	155	26.3
Vermont	567	42	103	63	188	103	67	33.4
Virginia	6,286	461	1,078	704	2,172	1,189	682	32.9
Washington	5,018	383	932	489	1,715	910	590	33.4
West Virginia	1,801	106	331	187	538	367	271	35.7
Wisconsin	4,955	362	949	505	1,576	902	661	33.2
Wyoming	460	34	102	44	151	81	49	32.4

*Note: In Thousands. Includes Armed Forces Residing in State.
Source: U.S. Bureau of the Census.

Jobs Push Unemployment Down in July

by Holly Stinson

Alaska's unemployment rate took a plunge in July, dropping 1-1/2 percentage points to 7.8%. This follows three months of stagnant or rising rates. (See Figure 1.) Does July's improvement in the unemployment arena signal a turnaround in a weak economy? Not exactly. While the number of unemployed dropped from June, there are 6,500 more unemployed Alaskans than in July 1991, when the unemployment rate stood at 7.0%. (See Table 4.)

What it does mean is that many of Alaska's industries are adding their usual seasonal workers. Statewide 6,400 jobs were added from June to July this year. (See Table 1.) Over-the-year comparisons, however, point out how anemic the economy has become. There are an estimated 1,000 additional jobs in the entire state compared to July 1991, which translates into a growth rate very close to zero.

Holly Stinson is a labor economist with the Research & Analysis Section, Administrative Services Division, Alaska Department of Labor. She is based in Anchorage.

Most Industries registering little or no growth

A glance at where the job growth is warns that even this small growth will likely not be sustained for long. The basic industries of mining, construction and manufacturing are enjoying seasonal job increases but all have fewer jobs this July than last year. The service industries—transportation, trade, services and finance—are registering some job growth, but very little (less than 2%). The one sector keeping the economy's head above water is government. As revenues decline, there will likely be more belt-tightening at both the state and local level.

Although federal, state and local employment is above last July's count, both state and local jobs decreased from June to July. Across the state, layoffs at local school districts during the summer outweigh the additional summer jobs with local governments, which causes a net employment loss in this sector. This is not the case in Alaska's largest city, however, where seasonal jobs with the municipal government more than make up for the temporary summer losses at the school district. This accounted for a net gain of 300 jobs from June in Anchorage's local government sector.

News reports detailed the jobs lost with state government at the beginning of a new fiscal year July 1. Fire crews normally on the state payroll in July have been mostly idle this year as Alaska experiences a quiet fire season. The lucky ones are earning a paycheck fighting fires in the Lower 48. So why is the employment count for state government above last year's level? The answer is that

Figure • 1

Unemployment Rates Finally Take A Seasonal Drop

Source: Alaska Department of Labor, Research & Analysis Section.

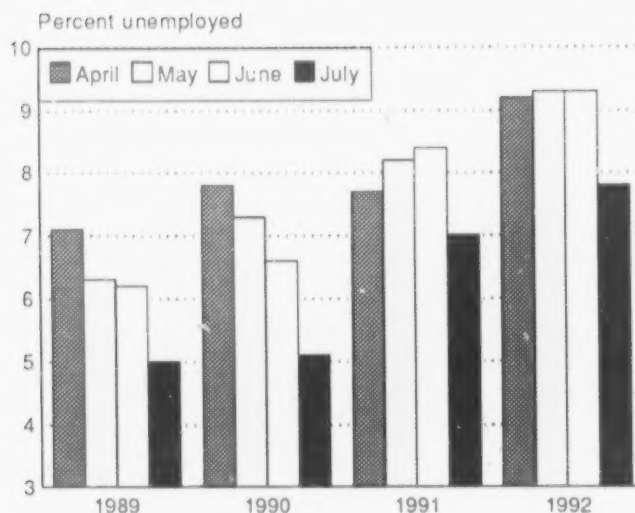


Table • 1

Nonagricultural Wage and Salary Employment by Place of Work — Alaska & Municipality of Anchorage

Alaska	Changes from				
	p/ 7/92	r/ 6/92	7/91	6/92	7/91
Total Nonag. Wage & Salary	262,000	255,600	261,000	6,400	1,000
Goods-producing	50,000	43,500	53,100	6,500	-3,100
Mining	10,900	10,700	12,400	200	-1,500
Construction	13,100	12,200	13,100	900	0
Manufacturing	26,000	20,600	27,600	5,400	-1,600
Durable Goods	3,300	3,400	4,100	-100	-800
Lumber & Wood Products	2,400	2,400	3,200	0	-800
Nondurable Goods	22,700	17,200	23,500	5,500	-800
Seafood Processing	19,000	13,500	19,500	5,500	-500
Pulp Mills	900	900	900	0	0
Service-producing	212,000	212,100	207,900	-100	4,100
Transportation	24,200	23,900	23,900	300	300
Trucking & Warehousing	3,300	3,100	3,200	200	100
Water Transportation	1,900	1,900	1,900	0	0
Air Transportation	7,600	7,500	7,700	100	-100
Communications	3,700	3,600	3,600	100	100
Trade	50,500	49,800	49,800	700	700
Wholesale Trade	8,200	8,100	8,200	100	0
Retail Trade	42,300	41,700	41,600	600	700
Gen. Merch. & Apparel	6,700	6,700	6,300	0	400
Food Stores	7,800	7,500	7,300	300	500
Eating & Drinking Places	14,900	14,600	14,900	300	0
Finance-Ins. & Real Estate	11,100	11,100	11,000	0	100
Services & Misc.	55,800	55,200	55,000	600	800
Hotels & Lodging Places	7,500	6,900	7,400	600	100
Health Services	11,400	11,500	11,200	-100	200
Government	70,400	72,100	68,200	-1,700	2,200
Federal	20,300	20,200	19,700	100	600
State	20,900	21,100	20,600	-200	300
Local	29,200	30,800	27,900	-1,600	1,300
Municipality of Anchorage					
	p/ 7/92	r/ 6/92	7/91	6/92	7/91
Total Nonag. Wage & Salary	116,800	115,500	117,400	1,300	-600
Goods-producing	13,200	12,400	14,300	800	-1,100
Mining	3,400	3,300	4,000	100	-600
Construction	7,000	6,600	7,100	400	-100
Manufacturing	2,800	2,500	3,200	300	-400
Service-producing	103,600	103,100	103,100	500	500
Transportation	12,900	12,700	12,900	200	0
Communications	2,200	2,200	2,200	0	0
Trade	26,300	26,000	26,700	300	-400
Wholesale Trade	5,700	5,800	5,800	-100	-100
Retail Trade	20,600	20,200	20,900	400	-300
Food Stores	3,500	3,300	3,300	200	200
Finance-Ins. & Real Estate	6,800	6,800	6,800	0	0
Services & Misc.	29,600	30,000	29,500	-400	100
Hotels & Lodging Places	2,700	2,700	2,700	0	0
Health Services	5,900	6,000	5,900	-100	0
Government	28,000	27,600	27,200	400	800
Federal	11,200	11,100	10,800	100	400
State	7,500	7,500	7,400	0	100
Local	9,300	9,000	9,000	300	300

Notes: Prepared in cooperation with the U.S. Bureau of Labor Statistics.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear here are definitionally different from those that appear in the Labor Force table.

Benchmark: March 1991

p/ denotes preliminary estimates

r/ denotes revised estimates

Source: Alaska Department of Labor, Research & Analysis Section.

the University of Alaska is reporting several hundred additional employees, which masks the drop in other state employment. Without including the University, state jobs are down 5% from last July. The bulge in University employment is most noticeable in Fairbanks, where state employment would be virtually identical to 1991 without the university jobs.

New retailers boost Fairbanks jobs; more new stores on horizon

The other noticeable bulge in Fairbanks' job count is the 500 additional jobs in retail trade, explained mostly by the new stores which opened in the last year. The new full-service Fred Meyer store accounts for many of these new jobs.

Fred Meyer announced plans to open another full-service store on the Kenai Peninsula. The new store, located in Soldotna, will replace the existing small one in Kenai and create 250 retail jobs when it opens in late 1993. K-Mart also plans to build a new store in Kenai by November 1993, adding another 200 retail jobs on the Peninsula.

In Anchorage, the already considerable list of new stores scheduled to open in the next several months grew by one in July. Sears announced plans to expand its Anchorage store, creating 40-50 new jobs in the retail sector. While the list of new retail stores expanding or opening soon in

Table • 2

Nonagricultural Wage and Salary Employment By Place of Work

Southeast Region

	p/ 7/92	r/ 6/92	Changes from:		
			7/91	6/92	7/91
Total Nonag. Wage & Salary	37,100	35,850	37,000	1,250	100
Goods-producing	8,200	6,800	8,400	1,400	-200
Mining	350	350	350	0	0
Construction	1,500	1,350	1,450	150	50
Manufacturing	6,350	5,100	6,600	1,250	-250
Durable Goods	2,150	2,100	2,600	50	-450
Lumber & Woods Products	2,050	2,000	2,500	50	-450
Nondurable Goods	4,200	3,000	4,000	200	200
Seafood Processing	3,100	1,850	2,850	1,250	250
Pulp Mills	900	900	900	0	0
Service-producing	28,900	29,050	28,600	-150	300
Transportation	2,950	2,950	3,050	0	-100
Trade	6,450	6,250	6,150	200	300
Wholesale Trade	600	600	600	0	0
Retail Trade	5,850	5,650	5,550	200	300
Finance-Ins. & Real Estate	1,200	1,150	1,250	50	-50
Services & Misc.	6,350	6,250	6,200	100	150
Government	11,950	12,450	11,950	-500	0
Federal	2,350	2,350	2,250	0	100
State	5,300	5,550	5,550	-250	-250
Local	4,300	4,550	4,150	-250	150

Fairbanks North Star Borough

	p/ 7/92	r/ 6/92	Changes from:		
			7/91	6/92	7/91
Total Nonag. Wage & Salary	30,700	29,900	28,750	800	1,950
Goods-producing	2,800	2,550	2,800	250	0
Mining	300	250	250	50	50
Construction	1,800	1,650	1,850	150	-50
Manufacturing	700	650	700	50	0
Service-producing	27,900	27,350	25,950	550	1,950
Transportation	2,300	2,250	2,200	50	100
Trucking & Warehousing	600	550	550	50	50
Air Transportation	500	500	500	0	0
Communication	300	300	350	0	-50
Trade	7,400	7,350	6,900	50	500
Wholesale Trade	800	800	800	0	0
Retail Trade	6,600	6,550	6,100	50	500
Gen. Merch. & Apparel	1,050	1,050	600	0	450
Food Stores	850	800	850	50	0
Eating & Drinking Places	2,750	2,750	2,800	0	-50
Finance-Ins. & Real Estate	1,100	1,050	1,100	50	0
Services & Misc.	6,750	6,550	6,600	200	150
Government	10,350	10,150	9,150	200	1,200
Federal	3,450	3,400	3,350	50	100
State	4,350	4,100	3,300	250	1,050
Local	2,550	2,650	2,500	-100	50

Anchorage-MatSu Region

	p/ 7/92	r/ 6/92	Changes from:		
			7/91	6/92	7/91
Total Nonag. Wage & Salary	124,300	123,700	125,100	600	-800
Goods-producing	13,950	13,250	15,100	700	-1,150
Mining	3,550	3,500	4,200	50	-650
Construction	7,500	7,100	7,550	400	-50
Manufacturing	2,900	2,650	3,350	250	-450
Service-producing	110,350	110,450	110,000	-100	350
Transportation	13,600	13,450	13,600	150	0
Trade	28,200	28,000	28,850	200	-650
Finance-Ins. & Real Estate	7,100	7,100	7,100	0	0
Services & Misc.	31,300	31,700	31,200	-400	100
Government	30,150	30,200	29,250	-50	900
Federal	11,300	11,250	10,850	50	450
State	8,300	8,350	8,250	-50	50
Local	10,550	10,600	10,150	-50	400

Interior Region

	p/ 7/92	r/ 6/92	Changes from:		
			7/91	6/92	7/91
Total Nonag. Wage & Salary	35,200	34,350	33,500	850	1,700
Goods-producing	3,150	2,900	3,050	250	100
Mining	500	450	450	50	50
Construction	1,900	1,750	1,900	150	0
Manufacturing	750	700	700	50	50
Service-producing	32,050	31,450	30,450	600	1,600
Transportation	2,600	2,550	2,650	50	-50
Trade	7,900	7,850	7,350	50	550
Finance-Ins. & Real Estate	1,150	1,150	1,150	0	0
Services & Misc.	7,700	7,250	7,500	450	200
Government	12,700	12,650	11,800	50	900
Federal	4,200	4,150	4,150	50	50
State	4,700	4,500	3,950	200	750
Local	3,800	4,000	3,700	-200	100

Table • 2

Nonagricultural Wage and Salary Employment By Place of Work

Northern Region

	p/ 7/92	r/ 6/92	Changes from:		
			7/91	6/92	7/91
Total Nonag. Wage & Salary	14,500	14,600	15,450	-100	-950
Goods-producing	5,750	5,700	6,900	50	-1,150
Mining	5,100	5,150	6,300	-50	-1,200
Service-producing	8,750	8,900	8,550	50	200
Government	4,050	4,300	4,100	250	-50
Federal	250	250	300	0	-50
State	350	350	400	0	-50
Local	3,450	3,700	3,400	-250	50

Gulf Coast Region

	p/ 7/92	r/ 6/92	Changes from:		
			7/91	6/92	7/91
Total Nonag. Wage & Salary	29,450	27,350	30,300	2,100	-850
Goods-producing	10,500	8,150	11,350	2,350	-850
Mining	1,150	1,150	1,250	0	-100
Construction	1,200	1,200	1,250	0	-50
Manufacturing	8,150	5,800	8,850	2,350	-700
Seafood Processing	7,200	4,900	7,750	2,300	-550
Service-producing	18,950	19,200	18,950	-250	0
Transportation	2,250	2,250	2,300	0	-50
Trade	5,000	4,900	4,900	100	100
Wholesale Trade	650	550	650	100	0
Retail Trade	4,350	4,350	4,250	0	100
Finance-Ins. & RealEstate	650	650	600	0	50
Services & Misc.	5,400	5,250	5,350	150	50
Government	5,650	6,150	5,800	-500	-150
Federal	650	650	650	0	0
State	1,700	1,800	1,900	-100	-200
Local	3,300	3,700	3,250	-400	50

Southwest Region

	p/ 7/92	r/ 6/92	Changes from:		
			7/91	6/92	7/91
Total Nonag. Wage & Salary	19,550	18,400	19,700	1,150	-150
Goods-producing	8,300	6,550	8,550	1,750	-250
Seafood Processing	7,800	6,200	8,100	1,600	-300
Service-producing	11,250	11,850	11,150	-600	100
Government	5,650	6,100	5,650	-450	0
Federal	1,450	1,450	1,400	0	50
State	550	550	650	0	-100
Local	3,650	4,100	3,600	-450	50

Municipality of Anchorage — Other

	p/ 7/92	r/ 6/92	Changes from:		
			7/91	6/92	7/91
Durable Goods	700	600	700	100	0
Nondurable Goods	2,200	2,000	2,600	200	-400
Trucking & Warehousing	2,000	1,900	2,000	100	0
Water Transportation	300	300	300	0	0
Air Transportation	4,700	4,700	4,700	0	0
Gen. Merch. & Apparel	3,100	3,100	3,300	0	-200
Eating & Drinking Places	7,700	7,700	7,800	0	-100

Notes: Prepared in part with funding from the Alaska State Employment Security Division.
Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear here are definitionally different from those that appear in the Labor Force table.

Benchmark: March 1991
p/ denotes preliminary estimates
r/ denotes revised estimates

Source: Alaska Department of Labor, Research & Analysis Section.

Anchorage grows, current retail employment continues to fall below 1991 levels.

For now, these new retail ventures are impacting construction employment. The only other large private sector project in the Anchorage area this summer is at Girdwood. By the end of August the new hotel and tramway being built at Alyeska Resort accounted for about 150 construction jobs. Even with these projects, construction jobs reported in Anchorage were fewer this summer than last.

Anchorage posts second month of over-the-year job losses

With very few exceptions, the public sector is the only area of growth in Anchorage. Across the board industries are employing fewer this July than last. In July Anchorage posted a negative growth rate for the second month. Losses in the oil and gas sector, along with the Anchorage Times closure, account for 1,000 fewer jobs this July. Preliminary reports indicate that tourism, at least in Anchorage, is not growing above 1991 levels. While this doesn't mean any job losses compared to last summer, a flat tourist season means this industry is not providing any impetus in the economy. Hotel room receipts in Anchorage were up 4.2% for the second quarter of 1992 but this only takes us through June. Later reports indicate a flat season at best. The Alaska Railroad is reporting ridership counts similar to last year.

Accounts from other areas of the state paint a better picture. The 50th anniversary celebration of the Alaska Highway is responsible for considerable increases in people entering the state over the road. In Fairbanks, the tax on hotel rooms for the April, May and June period was up 29% from the same months in 1991. Other tourism indicators were also up—bookings on the Alaska Marine Highway were up 8% over 1991 and hotel occupancy rates in Juneau were running higher than last year.

Anchorage was not alone in employment patterns in July. Every region enjoyed seasonal gains from June, but Fairbanks was the only area to post considerable job gains compared to July 1991. (See Table 2.) In the Northern region the culprit was the loss of jobs in the oil industry. A weak government sector did nothing to offset the oil losses. In the Gulf and Southwest regions fewer seafood jobs, again along with a weak government sector, pulled the job count to the negative side.

In Southeast, state employment is down 4.5% from July 1991, and there are 400 fewer logging jobs. Small gains in seafood processing, trade and services, however, were enough to allow Southeast to remain on the positive side of the job growth ledger. The only area of the state to have a considerably lower unemployment rate this July was also in Southeast. Haines saw an improvement of almost 8 percentage points in their unemployment rate. This was because last year's sawmill closure made their unemployment rate skyrocket. By now, those former mill workers have either found other work or left the Haines labor force.

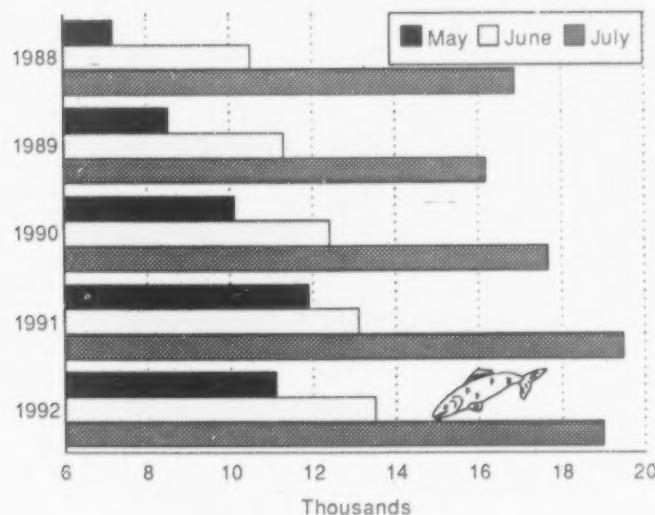
Seafood employment down; salmon harvest varies around state

One summer job generator, the seafood processing industry, had less of a seasonal increase this July. (See Figure 2.) One reason is the boost in bottomfish processing in keeping employment levels higher in spring months. But total July jobs in seafood processing fell below last July.

Preliminary data from Alaska Department of Fish & Game indicate there are 11 million fewer salmon (of all species) caught through the first week of August this year compared to the 1991 salmon season. This is down 12.7% from

Figure • 2

Seasonal Increase in Seafood Jobs Lessens



Source: Alaska Department of Labor, Research & Analysis Section.

Alaska Hours and Earnings for Selected Industries

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	p/ 7/92	r/ 6/92	7/91	p/ 7/92	r/ 6/92	7/91	p/ 7/92	r/ 6/92	7/91
Mining	\$1,190.44	\$1,111.50	\$1,202.47	50.7	48.9	52.1	\$23.48	\$22.73	\$23.08
Construction	1,181.42	1,120.69	1,127.28	47.2	46.1	46.2	25.03	24.31	24.40
Manufacturing	469.48	511.79	517.16	48.4	45.9	49.3	9.70	11.15	10.49
Seafood Processing	417.07	423.64	459.72	51.3	47.6	52.6	8.13	8.90	8.74
Trans., Comm. & Utilities	650.38	637.60	655.45	36.6	35.8	35.7	17.77	17.81	18.36
Trade	355.04	346.21	355.55	33.4	32.6	32.5	10.63	10.62	10.94
Wholesale	551.17	551.86	589.25	37.7	38.7	39.6	14.62	14.26	14.88
Retail	317.52	306.15	311.38	32.6	31.4	31.2	9.74	9.75	9.98
Finance-Ins. & R.E.	428.39	433.31	405.26	34.8	35.2	33.8	12.31	12.31	11.99

the 1991 season. While fewer fish have been caught, the total pounds harvested so far is higher than last year. With prices running higher than last year, the value of this year's catch should exceed 1991's. The story of the 1992 salmon season differs, however, from region to region.

Southeast Alaska is enjoying a good pink salmon run. Throughout the Gulf Coast—from Prince William Sound to Cook Inlet to Kodiak—the pink salmon harvest is running only 1/3 of that forecast. Fears of a repeat of last year—when a late run of pinks in Prince William Sound overwhelmed processing capacity—turned into more of a disaster when the pinks simply didn't show in expected quantities. Employment estimates for July show Gulf Coast with 550 fewer seafood processing jobs compared to July 1991; Southwest was down 300 while Southeast posted gains of 250.

The sockeye (red) salmon harvest is almost the opposite of the pink story. Statewide the sockeye harvest will likely surpass the previous record catch of 52.8 million set in 1983. Upper Cook Inlet had their second best sockeye catch ever, while Lower Cook Inlet had their third poor salmon season in a row. In Kodiak the sockeye harvest may be greater than the pink harvest for the first time.

The salmon harvest in Bristol Bay is running well above last year in terms of both number of fish and pounds caught. Processors in Dillingham quit processing the low-priced pink salmon, however, because of a flat city tax of 1.5 cents per processed fish. The tax is a much smaller proportion of total value when processing the higher-priced sockeye. Fortunately, sockeye is the main species of the Bristol Bay salmon harvest.

Farther north, a late break up in Norton Sound cancelled the herring harvest there earlier this season. This caused the federal Small Business Administration to declare the region an economic disaster area in July, allowing fishermen to obtain emergency federal loans. A recent crab opening was disappointing, and a poor chum salmon run added more hardship to an area already hard-hit economically by this fishing season.

Summary: Unemployment takes seasonal drop but economy has little employment growth

After three months of stagnant unemployment rates, July's plunged 1-1/2 percentage points to 7.8%. Although many industries added seasonal workers, over-the-year comparisons point to an anemic economy statewide.

Anchorage registered negative growth rates for the second month in a row. Losses in the oil and gas industry and manufacturing (impacted by the Anchorage Times newspaper closure) along with a reportedly flat tourist season were the main culprits.

The employment picture in Anchorage—seasonal increases but poor comparisons to last July—was echoed in every region except Fairbanks. The seafood processing industry had less of a seasonal increase this July, and employment was below last July's level. The overall salmon harvest was running above last year's in terms of total pounds (but not in number of fish caught) through the first week of August.

Notes:
p/ denotes preliminary estimates
r/ denotes revised estimates
Benchmark: March 1991

Averages are based on data for full- and part-time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

Source: Alaska Department of Labor, Research & Analysis Section.

Table • 4

Labor Force By Region and Census Area

	Labor Force			Unemployment			Rate %			Employment		
	p/ 7/92	r/ 6/92	7/91	p/ 7/92	r/ 6/92	7/91	p/ 7/92	r/ 6/92	7/91	p/ 7/92	r/ 6/92	7/91
Alaska Statewide	274,857	271,199	268,351	21,426	25,102	18,799	7.8	9.3	7.0	253,431	246,097	249,552
Anch.-MatSu Region	138,048	137,811	134,818	10,583	11,830	8,825	7.7	8.6	6.5	127,465	125,981	125,993
Munic. of Anchorage	121,495	120,212	118,653	8,279	9,095	6,976	6.8	7.6	5.9	113,216	111,117	111,677
MatSu Borough	16,553	17,599	16,165	2,304	2,735	1,849	13.9	15.5	11.4	14,249	14,864	14,316
Gulf Coast Region	35,663	33,827	35,648	2,973	3,658	2,509	8.3	10.8	7.0	32,690	30,169	33,139
Kenai Peninsula Borough	22,289	21,277	22,255	2,259	2,792	1,950	10.1	13.1	8.8	20,030	18,485	20,305
Kodiak Island Borough	7,962	7,426	7,985	330	382	248	4.1	5.1	3.1	7,632	7,044	7,737
Valdez-Cordova	5,412	5,124	5,408	384	484	311	7.1	9.4	5.8	5,028	4,640	5,097
Interior Region	38,950	38,574	36,444	3,564	4,389	3,340	9.2	11.4	9.2	35,386	34,185	33,104
Fairbanks North Star Bor.	33,682	33,267	31,559	3,000	3,626	2,855	8.9	10.9	9.0	30,682	29,641	28,704
Southeast Fairbanks	2,199	2,183	2,032	238	289	198	10.8	13.2	9.7	1,961	1,894	1,834
Yukon-Koyukuk	3,069	3,124	2,853	326	474	287	10.6	15.2	10.1	2,743	2,650	2,566
Northern Region	8,115	8,470	8,306	911	1,146	862	11.2	13.5	10.4	7,204	7,324	7,444
Nome	3,005	3,172	3,115	370	493	392	12.3	15.5	12.6	2,635	2,679	2,723
North Slope Borough	2,861	2,947	2,938	136	177	122	4.8	6.0	4.2	2,725	2,770	2,816
Northwest Arctic Borough	2,249	2,351	2,253	405	476	348	18.0	20.2	15.4	1,844	1,875	1,905
Southeast Region	38,564	37,465	37,917	2,532	2,962	2,508	6.6	7.9	6.6	36,032	34,503	35,409
Haines Borough	951	933	1,021	94	113	179	9.9	12.1	17.5	857	820	842
Juneau Borough	17,363	16,669	16,871	1,068	1,066	858	6.2	6.4	5.1	16,295	15,603	16,013
Ketchikan Gateway Bor.	7,155	7,022	7,118	478	628	556	6.7	8.9	7.8	6,677	6,394	6,562
Pr. of Wales-Outer Ketch.	2,910	2,935	2,938	253	390	327	8.7	13.3	11.1	2,657	2,545	2,611
Sitka Borough	4,479	4,314	4,395	235	250	224	5.2	5.8	5.1	4,244	4,064	4,171
Skagway-Yakutat-Angoon	1,850	1,830	1,789	191	241	159	10.3	13.2	8.9	1,659	1,589	1,630
Wrangell-Petersburg	3,856	3,762	3,785	213	274	205	5.5	7.3	5.4	3,643	3,488	3,580
Southwest Region	15,517	15,052	15,218	863	1,117	755	5.6	7.4	5.0	14,654	13,935	14,463
Aleutians East Borough	1,095	1,056	1,082	22	36	23	2.0	3.4	2.1	1,073	1,020	1,059
Aleutians West	3,077	2,927	3,006	72	69	40	2.3	2.4	1.3	3,005	2,858	2,966
Bethel	6,004	5,825	5,874	450	543	392	7.5	9.3	6.7	5,554	5,282	5,482
Bristol Bay Borough	585	567	573	18	28	14	3.1	4.9	2.4	567	539	559
Dillingham	2,776	2,727	2,714	122	204	95	4.4	7.5	3.5	2,654	2,523	2,619
Wade Hampton	1,980	1,950	1,969	179	237	191	9.0	12.2	9.7	1,801	1,713	1,778

Notes: p/ denotes preliminary estimates

r/ denotes revised estimates

Benchmark: March 1991

- Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey in formulas used to allocate federal funds.
- Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor.
- The official definition of unemployment currently in place excludes anyone who has made no attempt to find work in the four week period up to and including the week that includes the 12th of each month. Most Alaska economists believe that Alaska's rural localities have proportionately more of these discouraged workers.
- The employment numbers that appear above are definitionally different from those that appear in the Nonagricultural Wage & Salary Employment tables.

Source: Alaska Department of Labor, Research & Analysis Section.

Alaska Employment Service

Anchorage: Phone 269-4800

Kotzebue: Phone 442-3280

Kodiak: Phone 486-3105

Bethel: Phone 543-2210

Nome: Phone 443-2626/2460

Seward: Phone 224-5276

Dillingham: Phone 842-5579

Tok: Phone 883-5629

Juneau: Phone 790-4562

Eagle River: Phone 694-6904/07

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Petersburg: Phone 772-3791

Mat-Su: Phone 376-2407/08

Kenai: Phone 283-4304/4377/4319

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The mission of the Employment Security Division is to promote employment and economic stability by responding to the needs of employers and job seekers.

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